

# INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

PARIS, FRIDAY, JULY 15, 1988

Agency	6:00	11:00	1:00	1:00	1:00
Atlanta	22 5	165 2	165 2	165 2	165 2
Bangkok	6:00	1:00	1:00	1:00	1:00
Bombay	5:00	1:00	1:00	1:00	1:00
Calcutta	5:00	1:00	1:00	1:00	1:00
Canton	5:00	1:00	1:00	1:00	1:00
Chennai	5:00	1:00	1:00	1:00	1:00
Colombo	5:00	1:00	1:00	1:00	1:00
Dhaka	5:00	1:00	1:00	1:00	1:00
Hong Kong	5:00	1:00	1:00	1:00	1:00
Kuala Lumpur	5:00	1:00	1:00	1:00	1:00
London	5:00	1:00	1:00	1:00	1:00
Manila	5:00	1:00	1:00	1:00	1:00
Mumbai	5:00	1:00	1:00	1:00	1:00
New York	5:00	1:00	1:00	1:00	1:00
Osaka	5:00	1:00	1:00	1:00	1:00
Seoul	5:00	1:00	1:00	1:00	1:00
Singapore	5:00	1:00	1:00	1:00	1:00
Taipei	5:00	1:00	1:00	1:00	1:00
Tokyo	5:00	1:00	1:00	1:00	1:00
Washington	5:00	1:00	1:00	1:00	1:00
Zurich	5:00	1:00	1:00	1:00	1:00

ESTABLISHED 1887

### BRITISH OPEN

BALLESTEROS LEADS

See Sports, Page 17

No. 32,779 28/88

## PEOPLE

### U.S. Ministers Threaten Boycott of 'Christ' Film

A group of Southern California Protestant ministers threatened to urge a boycott of businesses owned by MCA if Universal Pictures releases Martin Scorsese's new film, "The Last Temptation of Christ." None of the ministers have seen the film, but based on reading the screenplay, they said the movie presented Jesus as "a mentally deranged and lust-driven man who convinces Jews to betray him." "The Last Temptation of Christ," which is based on a 1951 novel by Nikos Kazantzakis, was directed by Scorsese. It stars Willem Dafoe as Jesus and Harvey Keitel as Judas. Kazantzakis was communicated by the Eastern Orthodox Church because of the novel.

Bruce Springsteen has a well-placed far in Richard Bart, but the U.S. ambassador to West Germany insists "I am not a groupie." His wife was among the 50,000 fans at Springsteen's concert in Frankfurt on Tuesday.

Michael Jackson caused traffic chaos around London's elegant Mayfair Hotel on Tuesday as he crowded for a glimpse of the 28-year-old singer at the start of his two-month concert tour of Britain. The star, who makes his debut at London's Wembley stadium on Thursday, will earn \$16 million on 13 concerts. Prince Charles, heir to the British throne, and his wife Diana, will attend Saturday's performance.

A Madrid university said Tuesday it is awarding the Swedish leader Mikhael Gorbanche an honorary doctorate. The Autonomous University said it wanted to recognize Gorbanche's "most serious disavowal of violence and his promotion of safer and more humane international relations as well as his initiative for intellectual, social, economic and political reform in his own country."

Fifty years after he left New York for California in a self-engineered plane and flew to Los Angeles, Douglas (Bud) Weir, a Cornell, now 81, is being honored in style. The prize being flown back by Air Lines Saturday, an airline spokesman said.

**TAX FREE LEGAL SERVICES**

**RENTALS**

**MORE TO PAY**

**CLASSIFIEDS**

## scribe the IHT worldwide!

**AMERICAS**  
752-3890 in New York City  
184 outside New York  
Telex 1-212-755 8785

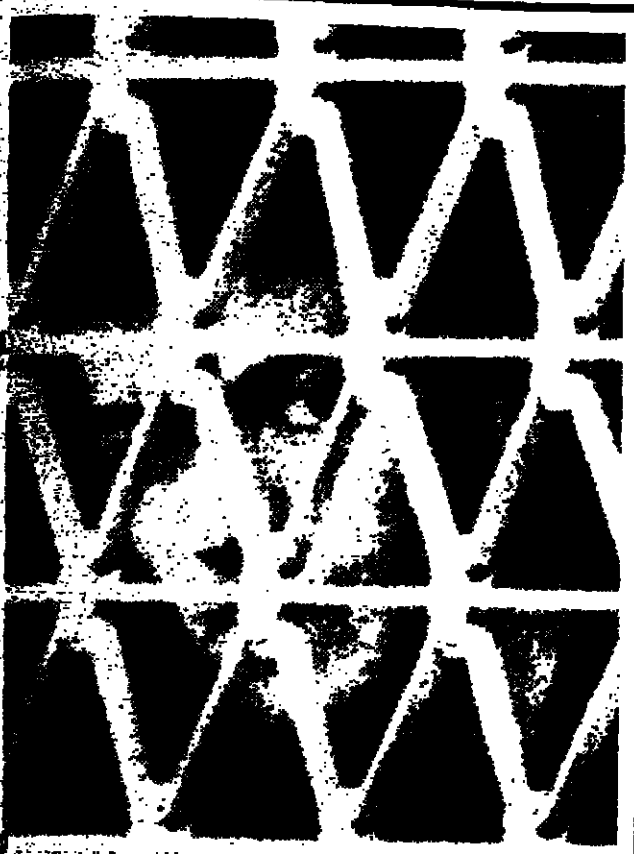
**EUROPE**  
PARIS  
Tel (33) (1) 463-9361  
2, Telex 46 37 93 70  
ZURICH  
Tel (41) (1) 241 0500  
999 Telex 242 5742

**RANKFURT**  
Tel (49) (69) 72 6755  
721, Telex 72 3730

**ASIA**  
HONG KONG  
Tel 3-8870 016  
Telex 550 520 28 27  
SINGAPORE  
Tel 2236 176  
49, Telex 25 221 15 66

**TOKYO**  
Tel 03-201 0225  
home 03-201 0245  
73, Telex 03 01 4245

**Los Angeles Herald Tribune**  
To Most Important News  
Most Important Audience



### Gunman Invades Bonn Embassy

A man armed with a pistol peered through a gate Thursday after barricading himself in the Libyan embassy in Bonn, trapping employees on upper floors. The gunman, an Arab in his 20s, surrendered after an 11-hour standoff. He said he had escaped from jail and demanded to be flown to Libya, the police said.

## Disarray in OPEC Weakens Oil Prices

**By Youssef M. Ibrahim**  
*New York Times Service*  
NICOSIA — Oil prices continued to decline Thursday and could be poised for a free fall, industry officials and analysts said, following the collapse of production restraints within the Organization of Petroleum Exporting Countries. "We will be looking at single-digit prices very soon," said an Iraqi oil analyst, who asked not to be identified.

Prices have fallen steeply in recent weeks, reaching their lowest levels since 1986, when they collapsed to around \$8 a barrel. North Sea Brent crude fell to \$14.10 a barrel at the close in London on Thursday, down from Wednesday's \$14.15 and about \$16 a month ago, after trading as low as \$13.77. Dubai crude finished at \$12.40, falling from \$12.50 on Wednesday.

Shell Oil Co. said Thursday it has cut the purchase price of its crude by \$1 a barrel, following a similar action by Texaco Inc. This brings to \$14.25 a barrel the posted price for West Texas intermediate grade.

The anticipated collapse of the OPEC restraints has combined with political discord to clear the way for what many oil industry officials describe as a free fall in prices.



**SOVIET ETHNIC PROTEST** — A militiaman grabbing a Latvian flag from a protester Thursday in Moscow. Fifteen persons were arrested after unfurling it and a banner calling for an Azerbaijani enclave to be transferred to Armenia. Protest also was reported in Armenia. Page 2.

## Iranians Retreat In North

### Tehran Has Now Given Up Almost All War Gains

*Compiled by Our Staff From Dispatches*  
NICOSIA — Iran reported a new troop withdrawal from northeast Iraq on Thursday as Baghdad's forces tightened their grip on the southern front after occupying an Iranian border town.

The official Iranian press agency IRNA said that Iranian forces had pulled back from the Kurdish Haj Omran area in northeast Iraq as part of a new strategy aimed at "more appropriate deployment of combat forces in other defensive lines."

On Tuesday, Iran evacuated the Halabja plain south of Haj Omran and was driven out of the Zubaidat border area on the southern front, the latest of several battlefield reverses.

The pullout means that Iran has now given up almost all the Iraqi territory it occupied in the eight-year war.

The new head of the Iranian military, Hashemi Rafsanjani, said that the withdrawals were part of a strategy of preparing for a prolonged war and of showing the world that Iran did not want to seize and keep Iraqi territory.

Since Ayatollah Ruhollah Khomeini, the Iranian leader, appointed Mr. Rafsanjani military leader June 2 in a bid to regain the initiative in the war, Iran has met more defeats.

Mr. Rafsanjani, speaking Wednesday on Iranian television, said that the new approach was dictated by recent Iraqi advances made possible by all-out support for Baghdad by its foreign backers. "After studying the new situation, it seemed changes in our defensive lines were necessary," he said.

Iraq said its troops pushed through Zubaidat on Tuesday, seizing 4,000 square kilometers (1,500 square miles) of territory, and occupied the town of Dehloran, 30 kilometers (19 miles) inside Iran, on Wednesday.

On Wednesday, Iraq said that 20,000 Iraqis were killed or wounded in the attack on Dehloran.

A member of the Iraqi high command, Lieutenant General Nima Faris Hussein, said on Baghdad television that Iraqi forces would withdraw across the border within a few days.

The capture of Dehloran coincided with a statement by Mr. Rafsanjani that Tehran's new strategy would be to put the main emphasis on its regular forces rather than

they join the court. It is not obliged to do so, however.

Mr. Mancini claimed that forcing the EC's biggest pasta-consuming country to drop the import ban could open the way for a flood of cheap imports. He said the ban was needed to protect consumers, who would be confused when buying pasta if they had to try to tell the difference between soft- and hard-wheat products.

The court made short shrift of the latter argument, saying Italy could simply require clear labels listing the ingredients.

The court ruled that West German noodle-makers, who are hailing the decision as a milestone on the road to European integration, Italian housewives could barely tell the difference between genuine pasta italiana and noodles from Nuremberg anyway.

## Angola Pullout Reports Bring Cautions

**By David B. Ottaway**  
*Washington Post Service*  
WASHINGTON — U.S. officials and African experts expressed cautious optimism on Thursday that a breakthrough might be in the offing for a settlement to the southern Africa conflict after the latest round of U.S.-brokered negotiations. But they also said the true intentions of both Cuba and South Africa were still far from clear.

The talks in New York between the United States, Angola, Cuba and South Africa ended on Wednesday with announcement of a tentative agreement on "the principles for a peaceful settlement in southwestern Africa" and expressions of hope and good faith by all four sides.

But the U.S. assistant secretary of state for African affairs, Chester A. Crocker, who has now mediated three rounds of four-way negotiations, was the first to note that the nations directly involved faced "a road of many obstacles" strewn with "tough political decisions" before any agreement can be reached. [A Cuban negotiator dismissed reports on Thursday that Havana had agreed to withdraw troops from Angola, but he said talks in New York this week could pave the way for a pullout linked to independence for South-West Africa, Reuters reported].

One U.S. official said that "there are serious questions about the seriousness of all the parties." But he added that he felt an agreement was "becoming believable" after 12 years of negotiations.

The most crucial of the "tough political decisions" alluded to by Mr. Crocker, according to U.S. officials, is whether South Africa, faced with a major Cuban military buildup in southern Angola, has had a sudden change of mind about staying in South-West Africa, which is also known as Namibia.

South Africa has been administering Namibia ever since the end of World War I and has repeatedly used its "panhandle" northern wedge stretching across southern Africa like "an aircraft carrier," as one African specialist put it, for

priority than opening markets for American products.

But the departure is a small one, according to trade experts. Each of the bill's major provisions offers the next president enough loopholes that he can ignore or sidestep trade issues.

These loopholes, advertised as a compromise to make the bill palatable to a majority of Congress and to the president, explain why the House passed the bill with little debate once it was shorn of its most

That is a departure. Since World II, national security and diplomatic considerations have had a higher

predecessors in expanding exports and reducing the trade deficit.

It does so by making him more accountable to Congress and the public for whatever trade policy — or lack of policy — he pursues. But it does not force him to act.

"The bill has the potential to do a lot of good for trade and the potential to do nothing," said Rufus Yerxa, staff director of the House Ways and Means Committee's trade subcommittee, which helped write the bill.

Still, the 1,000-page bill is significant in that it is a recognition that

## Jackson Receives an Apology

*Compiled by Our Staff From Dispatches*  
ATLANTA — The Reverend Jesse L. Jackson said he accepted an apology Thursday for not being told in advance that he had been bypassed as the vice presidential nominee, easing the strained relations between him and Governor Michael S. Dukakis of Massachusetts that threaten to break Democratic unity at next week's national convention.

But Mr. Jackson said he was still being excluded from the inner circle of top Democratic leaders making the crucial decisions, and he said it was an "open question" whether he would challenge Senator Lloyd Bentsen of Texas for the vice presidential nomination.

Mr. Jackson, who said this week that he wanted the second spot on the ticket for himself, learned of Mr. Bentsen's selection from a reporter. Mr. Dukakis says he tried to reach Mr. Jackson first but failed to get through.

Mr. Jackson called on former President Jimmy Carter on Thursday to play the role of peacemaker in his preconvention dispute with Mr. Dukakis, saying that he simply wanted "respect and responsibility" after a long run for the Democratic presidential nomination.

At a news conference in Chicago before boarding a bus to the convention, Mr. Jackson did not say what specific issues he wanted Mr. Carter to negotiate with Mr. Dukakis, whose nomination is assured.

He said he is looking for "meetings of substance" about the issues. But he said he is not seeking "a personal apology" for Mr. Dukakis' failure to notify him before word got out of the choice of Mr. Bentsen for the vice presidential slot.

Mark Gearan, a spokesman for Mr. Dukakis, said he expected a face-to-face meeting after Mr. Dukakis and Mr. Jackson arrived in Atlanta.

"The governor obviously made it clear that it was his own intention for the Reverend Jackson and all of the candidates to hear the news from no one else but the governor," Mr. Gearan said.

Ron Brown, a spokesman for Mr. Jackson, called Mr. Dukakis' gesture "a good start" toward healing relations, but he made it clear that he expects numerous conversations between the two men in the days ahead.

While there is plenty of time to settle matters before the convention opens on Monday, Mr. Jackson's complaints could wind up complicating efforts by Mr. Dukakis and Democratic Party leaders to stage a unified, harmonious party convention.

Mr. Jackson has ordered aides to break off negotiations with Dukakis forces over the party platform. Paul Kirk, the Democratic Party chairman, said those talks had not yet resumed, although he said aides to the two men had spoken.

### Kiosk

#### Pentagon Bill Is Approved

WASHINGTON (AP) — Congress approved Thursday the final version of a defense budget bill that reduces President Ronald Reagan's spending request for the Strategic Defense Initiative, the plan for a space-based anti-missile defense system. The measure now goes to Mr. Reagan for his signature.

The bill authorizes the Pentagon to spend \$299.5 billion. Of that, \$4 billion is budgeted for the Strategic Defense Initiative.



Vice President George Bush responding Thursday in the UN to an Iranian accusation that the United States deliberately downed an Iranian airliner. Page 2.

#### General News

Iran and the United States traded charges down in an Iranian airliner. Page 2.

#### Business/Finance

U.S. banks raised their prime lending rate to 9.5 percent, the highest level in more than two years. Page 11.

<b>Dow Jones</b>	<b>The Dollar</b>
Up 9.25	Doll 1.8533
	Pound 1.682
	Yen 133.25
	FF 6.249

## Israelis See No End Soon To Uprising

**By Joel Brinkley**  
*New York Times Service*

JERUSALEM — When soldiers demolished two homes in the West Bank earlier this week and sealed off four others, the actions hardly warranted notice on Israeli radio news.

Five Palestinians have been shot to death during demonstrations in the occupied territories since July 8, and although the nightly news show on Israeli television reported each death, it did so only in passing and without any film footage.

[Israeli troops confined more than 80,000 Palestinians to their homes in the occupied West Bank on Thursday to halt violent protests over the killings of two teenagers by soldiers and a raid by Jewish settlers, Reuters reported. An army spokesman said troops kept Kalkiya and its 30,000 residents and more than half the 100,000 inhabitants of the West Bank city of Nablus under curfew after clashes.]

The Palestinian uprising entered its eighth month several days ago, and Israelis are beginning to grasp the idea that it may very well continue for many more months, perhaps even for years. Events that galvanized the nation a few months ago now have become simply the status quo.

Several days ago, a senior commander of military forces in the West Bank assembled a group of military correspondents from the Israeli press in Tel Aviv and told them it was his view that the uprising might continue indefinitely. The army, he said, was making the necessary adjustments in case that proved to be true.

"There is no return to the pre-December 1987 status quo," said the commander, who asked not to be identified. "It demands from us to organize for the long run." His remarks were reported and



### France Celebrates Bastille Day

Soldiers of the French Foreign Legion prepared one to celebrate the 199th anniversary of the fall of the Bastille. another Thursday before parading up the Champs-Elysees President Francois Mitterrand reviewed the parade.

## Los Angeles Wild Beasts Thrive on Diet of Pets and Garbage

**By Robert Reinhold**  
*New York Times Service*

LOS ANGELES — The question is almost Zen in its ambiguity. Are the animals invading Los Angeles or are we invading them?

The sun sinks into the Pacific Ocean and a blood-curdling howl rises over Mulholland Drive in the Hollywood Hills. Residents quickly call in their cars and dogs before the coyotes make supper of them. Raccoons clean out a pool full of expensive goldfish and set up house in the attic.

Coyotes, opossums, skunks and other urban wildlife seem to know which day the garbage is put out. Parents warn their children about rattlesnakes. A fully grown buck deer strolls up a driveway above Beverly Hills.

Can this also be the place that needs a new county law, effective Jan. 7, forbidding the feeding of coyotes and other predators?

A few days ago, the Los Angeles County sheriff and the Los Angeles City Department of Animal Regulation issued their annual summer warnings about rattlesnakes.

Recently, the police in suburban Pasadena shot and killed a 110-pound (50-kilogram) mountain lion that had wandered into a yard where three children were playing.

A few weeks before that, the police had killed a mountain lion that was crouching behind a hedge in Yorba Linda.

The Los Angeles area is metastasizing into the hills and deserts that once defined the boundaries between civilization and nature. Human and animal habitats are merging into one, and territorial conflict is perhaps inevitable.

"If we would stop encroaching into their territory, they would stop coming into ours," said Steve McNall, executive director of the Humane Society in Pasadena, near where new developments in such communities as Flintridge, La Canada, Monrovia, Altadena and Arcadia are putting human nests amid wild ones.

Mr. McNall considers it "a privilege that they come into our city."

The Los Angeles Department of Animal Regulation regularly gets calls from irate residents whose cats have become coyote food. It regularly sets traps and airlifts a menagerie of wildlife into the remote countryside for release.

The department tries to educate Angelenos about the furry facts of life in the big city, that the best way to deter nocturnal visits by wildlife is to take a few simple precautions, such as putting lids on garbage cans.

"They would rather not run after food and get all tired, if they can get fast food," Dyer Huston, a department spokesman said.

"The real culprit is the people," said Lila Brooks, a Hollywood woman who is the director of California Wildlife Defenders and is the author of the new county anti-feeding law.

"By feeding coyotes, we have conditioned them to lose their fear of humans," she said.

"Their fear needs to be reinstilled, and they need to be sent back to the hills where they belong."

Mrs. Brooks asserts that many of the misdeeds attributed to coyotes are committed by packs of feral dogs, turned loose by their owners, sometimes to interbreed with coyotes into hybrids called "coydogs."

She offers a pamphlet to residents with such advice as, "Don't try to tame coyotes or treat them as your own pets even if they resemble German shepherds."

She has also persuaded the Los Angeles Department of Water and Power to put water holes in the Hollywood Hills, away from housing, so that the wildlife will not try to drink in residential areas.

See PASTA, Page 2







BRIEFS

aves 1 Dead in Burma
One person has been killed and nine police official, in fresh rioting in Burma.

Kill Sikh Militant
The police shot and killed a militant in Punjab on Thursday and arrested 10 others.

ed by Rocket Crash
India plans to press on with its second successive launch failure.

lays Blamed on Greece
Gatwick airport authorities blamed debris from a holidaymaker's suitcase for the week-long closure.

Rail Link for Tunnel
British Rail said Thursday it planned a tunnel and the Channel tunnel by the end of the year.

Apology Accepted
The Republican vice president said he and Mr. Jackson had a "pleasant relationship."

Revolt Becomes Routine
The new government in Cambodia is gradually shifting its position in a way that enhances prospects for a settlement in Cambodia.

Salinas Declared Winner in Mexico With 50.4% of Vote

by William A. Orme Jr.
The candidate of the conservative National Action Party, Manuel Clouthier, came in third with 17.1 percent, the commission said.

According to figures compiled by the electoral commission's technical staff, only about 19.6 million, or 51.6 percent, of Mexico's 38.1 million registered voters cast ballots, the lowest turnout in a presidential election in at least 30 years.

The opposition won four seats in the 64-seat Senate, the electoral commission said late Wednesday, rejecting the vote totals a week after election day.

According to preliminary figures, the governing party appeared to have won 363 seats, giving it a slight majority in the 500-member Chamber of Deputies, well short of the two-thirds needed to amend the constitution.

Finishing second in the presidential voting, but in a stronger position than official sources had predicted, was Cuauhtemoc Cárdenas, the left-of-center dissident, with 31.1 percent of the vote, according to the commission's figures.

Kuwait Asks U.S. to Allow Arms Sale

By David B. Ottaway
WASHINGTON — Prime Minister Saad al-Abdullah al-Sabah of Kuwait has appealed to Congress to reconsider measures aimed at blocking the sale of 40 F-18 Hornet fighters and Maverick air-to-surface missiles to his country.

"I sincerely hope that they will reconsider the request Kuwait has made to buy this kind of plane and this kind of missile," he said at a National Press Club luncheon Wednesday.

Mr. Saad met with the Senate Foreign Relations Committee and plans to meet with its House counterpart in a bid to persuade Congress that Kuwait, a tiny sheikhdom under repeated Iranian missile attack for its support of Iraq, needs the weapons for self-defense.

"We seek arms to defend our country against aggression, not to launch aggression," he said.

The Senate has passed a measure banning the sale of Maverick missiles to Kuwait, while 114 members of the House of Representatives have submitted a resolution disapproving the entire \$1.9 billion package.



A President's Thoughts for a Dry Season
President Ronald Reagan looking at drought damage Thursday with Herman Krone and his son, Richard, in a cornfield at the Krone farm near Du Quoin, Illinois. Later, he urged Congress to act quickly on emergency farm aid.

Managua Nationalizes Largest Company

MANAGUA — The Nicaraguan government has nationalized the country's largest and oldest private enterprise in what the opposition called the latest in a series of repressive moves.

The Agrarian Reform Ministry, announcing the takeover Wednesday of the San Antonio sugar refinery, said its owners had not invested in the company since 1981, hurting sales, dollar income and working conditions.

The move left almost the entire sugar industry in the hands of the government. The San Antonio refinery had become a symbol of private enterprise.

Gilberto Cuadra, vice president of the Private Enterprise Council, an anti-government group, said that the refinery had been the last element of a "mixed economy in Nicaragua."

Meanwhile, in Washington, the Senate warned the Nicaraguan government Wednesday that it could face renewed U.S. military aid to the rebels unless it reversed "dramatic new steps in brutality" against its own citizens.

In what was described as a "carrot-and-stick" policy, the Senate also said that it was ready to extend U.S. economic aid to Nicaragua if the Sandinistas complied with commitments under the Central American peace accord signed in August and if it allowed the establishment of a democratic system in Nicaragua.

The nonbinding resolution was adopted by a vote of 91 to 4. The vote reflected the anger and concern caused by recent Sandinista actions to suppress internal dissent. These include the closing of the opposition newspaper La Prensa and the Roman Catholic radio station, the suppression of a recent nonviolent demonstration of the arrest of 40 opposition leaders and the expulsion Monday of U.S. Ambassador Richard H. Melton and seven other U.S. diplomats.

Senator Bob Dole, Republican of Kansas, said: "We are moving now because the Sandinista goons have been in the streets of Managua again; because the Sandinista jails are filling up with new prisoners; because what little independent media there has ever been in Nicaragua is being closed down again, and because the light of freedom in Nicaragua has been nearly snuffed out again."

Senator David L. Boren, Democrat of Oklahoma, said that "the Sandinistas had shown their true colors." U.S. military aid to the contras, as the Nicaraguan rebels are known, was suspended earlier this year in hopes that the Central American peace process would take hold. But Mr. Boren said: "We have tried removing the pressure and all we have done is harm the cause of peace."

"If the Sandinistas continue down this path," he added, "they will leave us no choice but to resume the pressure, even military pressure if necessary."

In another development, the permanent council of the Organization of American States was holding a meeting late Thursday at the request of the Nicaraguan ambassador, Carlos Tunnerman.

Mr. Tunnerman, who serves both as ambassador to the OAS and to the United States, is expected to press his view that the Reagan administration cannot legally expel a diplomat assigned to the OAS.

Bentsen on Rights: A Mixed Record

By David E. Rosenbaum
New York Times Service

WASHINGTON — Senator Lloyd Bentsen of Texas, selected to be the running mate of Governor Michael S. Dukakis, has repeatedly voted for measures to restrict involuntary busing for school desegregation, but he has supported most other civil rights measures in recent years, without taking a position of leadership.

Early in his Senate career, however, he opposed some important civil rights measures. Mr. Bentsen was out of politics in the late 1950s and 1960s, when pivotal battles over voting rights, open housing and integration in public accommodations were fought in Congress. During that time, according to his staff, he was the first hotel owner in Houston to open his hotel to blacks before it was required by law.

In 1948, when he was in the House of Representatives, he was one of two Texans and one of a handful of Southern congressmen to vote to abolish the poll tax, the primary civil rights matter before Congress at the time.

After he entered the Senate in 1971, he opposed several civil rights bills. In 1972, he voted against giving the Equal Employment Opportunity Commission the power to issue cease and desist orders, an authority the commission believed was necessary to enforce laws against job discrimination.

Three years later, he opposed a measure requiring banks to disclose the amount of mortgage money they lent in different neighborhoods. The purpose was to give cities a tool to combat a system that identified black neighborhoods in which loans would not be given.

The same year, however, he voted to extend the voting rights act, which gives the Justice Department authority to prevent discrimination in elections.

In the last 10 years, he has supported almost all measures important to civil rights lobbyists except for those dealing with busing. This year, he voted to override President Ronald Reagan's veto of a measure requiring the government to withhold federal money from entire institutions if any part of the institution practices discrimination. Last year, he voted to override the president's veto of a measure placing strict economic sanctions on South Africa.

He also opposed the nomination of Robert H. Bork to the Supreme Court, a nomination fought by civil rights lobbyists. Mr. Bentsen says he now supports the proposed equal rights amendment to the Constitution, which would explicitly prohibit discrimination against women. However, in 1978, he voted against a measure to give states more time to ratify the amendment.



Senator Lloyd Bentsen

Herald International Tribune
Now Printed in the U.S. For Same Day Service in Key American Cities.
To subscribe call us toll-free in the U.S.: 1-800-882-2884.
(In New York, call: 212-752-3890.)
Or write: International Herald Tribune, 850 Third Avenue, New York, N.Y. 10022.
Or Telex: 427175. Or Fax: 212-755-8785.

BAUME & MERCIER
GENEVE
linea
Gold-plated or gold-plated and stainless steel for men and women. Quartz movement. Water-resistant.
JB
J. BERNARD
JOAILLIERS
6 rue du Faubourg St. Honoré
PARIS 8<sup>e</sup>

One East River Place
New York's most important new rental residence.
On the river at East 72nd Street.
Studio: \$1,400-\$2,900 1 bedroom: \$1,700-\$4,900 2-bedroom: \$3,300-\$8,600 3 bedroom: \$6,100-\$12,800 4-bedroom: \$8,300-\$15,700
Exhibit residences: John Saladino Owner/Builder: Sheldon H. Solow
Rental/Management Agents: Douglas Elliman 525 East 72nd Street By appointment: 212-249-7200

DOONESBURY
SIR, THERE'S A LOT OF GRUMBLES FROM THE STAFF OVER YOUR PROPOSED DRUG TESTS...
I KNOW, I'M BEGINNING TO HAVE SOME SECOND THOUGHTS MYSELF. CAN'T WE TALK JUST BY OBSERVING PEOPLE WHETHER THEY'RE USING COCAINE?
NOT REALLY, SIR... ANY NOT?
WELL, TO START WITH, COKE DOESN'T SPEECH YOUR INFAIR. OH.



INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

A Truly Common Market

Western Europe has gone to work, hard and fast, to push its Common Market to a higher stage of efficiency. Over the next four years the European Community will transform the ways in which Europeans do business with one another — and perhaps with the rest of the world.

Compassion, Not Fatigue

Repression and poverty in Vietnam breed ever more boat people. An appalling 1.5 million Vietnamese and other Indo-Chinese have fled since 1975. Each month, new thousands try to escape on flimsy vessels sailing pirate-infested coastal waters. Now they face a fresh peril: compassion fatigue, an official euphemism that amounts to blaming victims for the cruelty of their jailers.

Mexico's Political Reality

The one thing Mexico's three presidential contenders agreed on was the need for more honest and believable vote counts. Yet the contest has now yielded the most disputed outcome in the country's recent history.

Other Comment

Ortega: Self-Defeating Moves
Less than six months after cutting off U.S. military aid to the contras, a number of congressmen would now like to start it up again. If they succeed, President Ortega will have only himself to blame.

America's Costly Improvisation in the Gulf

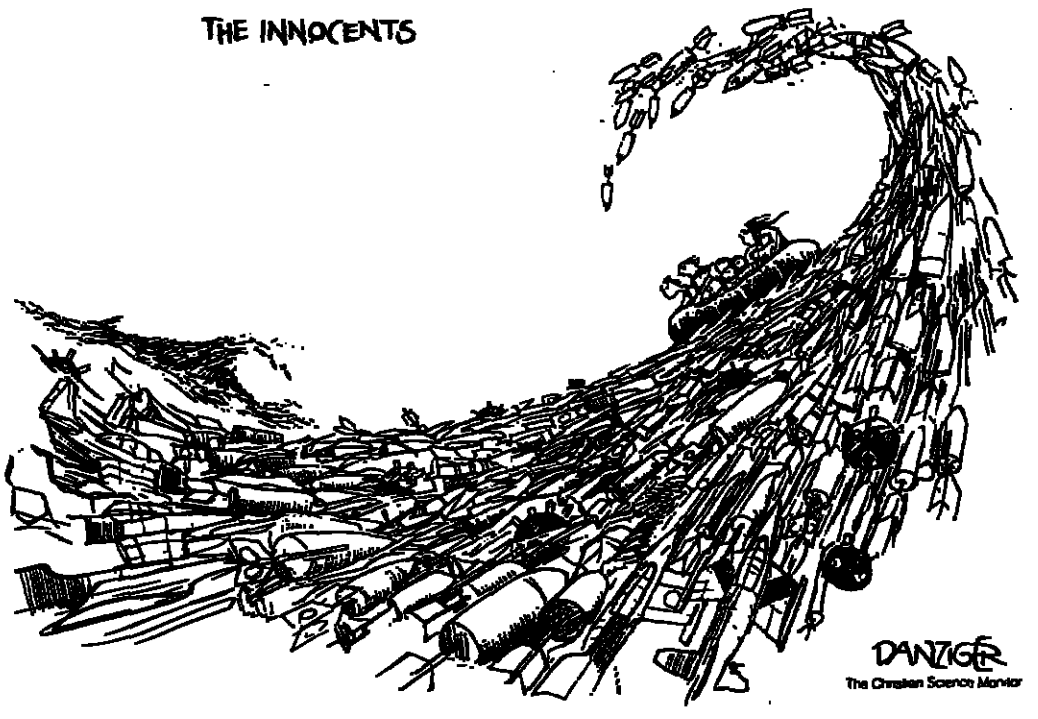
By William Pfaff

PARIS — When Alexis de Tocqueville wrote 150 years ago that "foreign politics demand scarcely any of those qualities which are peculiar to a democracy; they require, on the contrary, the perfect use of almost all those in which it is deficient," he had in mind the changeability and irresponsibility of public and congressional opinion, but also a democratic government's difficulty in developing and sustaining "a mature design."

huge arsenal of the most modern weapons. These have proved of great value to his successors; they included the F-14s responsible for the Vincennes's fateful trigger-happiness July 3. This grandiose program contributed to the shah's progressive loss of contact with political reality inside his country, and to his eventual overthrow and replacement by a revolutionary religious-political movement. That in turn led to war with Iraq. It eventually led to the U.S. navy's currently undeclared war in the Gulf, on Iraq's side, against Iran's sea and air forces.

this war in any clear way. Iraq has checked Iran, and is now in sound defensive positions, while Iran's resources are running down. It is reasonable to think that the war will end, or peter out in some muddled way, once the Ayatollah Ruhollah Khomeini leaves the scene.

THE INNOCENTS



On the U.S. Economic Ladder, the News Is at the Ends

By Robert J. Samuelson

WASHINGTON — Considering all that has been written about America's vanishing middle class, you might think that we have a good idea about what has happened and why. Well, we don't. It is fairly clear that Americans' incomes have been growing slightly more uneven since the early 1970s. But the extent of the change and the causes are controversial and unsettled.

statistics are before taxes, so they don't reflect tax changes. There have been some cuts in welfare benefits, but as the budget office study points out, they haven't been large enough to cause these shifts. The Labor Department team found that the income shift began in the early 1970s, if not sooner. So its basic causes are probably broad changes in the economy and population. For example: • Single-parent families: Since 1970, they have doubled to 6.9 million, says the budget office. They now represent a fifth of all families with children and are often headed by women with low incomes. The median annual salary of full-time women workers is about \$16,200.

American Perestroika: Robbing Tom to Pay Jerry

By Richard Reeves

NEW YORK — This is the story of two friends of mine, whom I'll call Tom and Jerry. They are both in their 40s and both lawyers. They graduated from law school five years apart in the 1970s.

years of paying into the corporation's executive plan. If he were let go tomorrow, the company would be obligated to pay him a little more than \$600 a month after he reached 62. If he does keep his job until age 62, though, the company would be obligated to pay him more than \$4,000 a month — and even more if he stayed until he was 65.

found a new job. Both of their wives have gone to work in offices, each making about \$25,000 a year. These people will survive. Tom is just hoping the ax won't fall until his sons have finished college in five years. But, in total, these transactions represent a tremendous redistribution of American wealth. The Jaguar that Jerry now drives so proudly up to the mini-states of his partners on the east end of Long Island was figuratively paid for by the money Tom's neighbors in Ohio were counting on for the college tuition of their daughters.

son and its blessing to break the social contract between American corporations and their employees. Their contracts broken, Jerry would Tom, his neighbors or millions like them turn if there is nothing left for them in the future? To government, if history is any guide. There could be a sharp left turn down the road in American politics, a demand that Washington find some way to get plenty of that money back from Jerry and his fellow Jaguar owners and then redistribute it in such programs as national health care and insurance.

How Best to Help the Working Poor

MINIMUM-wage laws have powerful appeal to Americans' sense of fairness. The promise of increased minimums is that working poor people with families to support will be assured enough money to survive. This seems so decent and restrained that arguments against it appear flimsy. But a current proposal to raise minimum pay would penalize the poorest of the working poor to boost pay for people better off. More equitable would be legislation to lighten federal tax burdens on the poor or even to add a "negative tax" based on income and family size to the paychecks of wage earners in poverty or near it.

1913: Of Bryan's Gold
NEW YORK — Mr. William J. Bryan's announcement that he is going to continue his lecturing because he cannot live on his salary as Secretary of State — \$12,000 a year — has called forth much comment in the

Why Jackson Is Loath to 'Disconnect'

By Philip Geyelin

WASHINGTON — The first time I met Jesse Jackson was at a conference of the establishmentarian African-American Institute in Lagos in 1971. Even among the black contingent in the American delegation, he looked like the odd man out — costless and useless, a young fire-breathing preacher with an Afro hairdo and an angry, brooding gaze.

My first impressions of Jesse Jackson's performance in the steamy heat of Lagos 17 years ago strike me as pertinent as the Jackson and Dukakis forces grapple ahead of the Democratic convention in the next week in steaming Atlanta, hoping for party harmony on the way out. There was, to begin with, the familiar impression of an ambitious, charismatic, often inscrutable, militant black activist, in which added the more enduring impression of Jesse Jackson, the pragmatist — the closest accommodator.

It was to Mr. Jackson that the older, more prestigious black leaders in the American delegation (Representatives Louis Stokes and John Conyers Jr., and Bayard Rustin among them) seemed to turn almost reflexively for solace and, in a real sense, leadership. It was Mr. Jackson who led them in prayer. And for all the eloquence of the other eulogists, it was Mr. Jackson, the supposed red-hot radical, who dealt directly with what was most controversial about Whitney Young's great contribution to civil rights.

Those first impressions ring true today when I hear Eleanor Holmes Norton, who headed Mr. Jackson's platform committee, tell reporters that "you will see Jesse Jackson campaigning harder than Dukakis for a Democratic victory in November. More is at stake for him because those who voted for him need a victory more than those who voted for Dukakis." Or when Mr. Jackson goes out of his way to praise the attention Mr. Dukakis paid, in their private talks, to Mr. Jackson's "Mafia" Borbachev, his views on South Africa and the Middle East.

100, 75 AND 50 YEARS AGO

1888: U.K. Annexes Isle
LONDON — Letters from Singapore report that Captain May, of Her Majesty's ship *Porpoise*, after leaving Mauritius, opened the sealed orders with which he was entrusted by the Admiralty, and found that he was authorized to annex a small island known as Christmas Island, lat. 11 S., long. 106 E. The British flag was accordingly hoisted about eleven o'clock on the morning of June 6. A board announcing the fact was afterwards nailed against a tree, and a tin case containing documents was also deposited. The island contains valuable guano, but the anchorage is bad, as there are fifty fathoms of water close in shore.

1938: A Purge Survivor
TOKYO — More than a million persons have been arrested in Josef V. Stalin's wholesale purge among civilians and officials of the Red Army, according to former Soviet General Lichkov Genrich Samirovich, Far Eastern commander of the Soviet secret police, who recently escaped over the border to Manchukuo. "The atmosphere in the Soviet Union is charged with anti-Stalin sentiment almost to the breaking point," the refugee general declared in an interview today [July 14]. It was the first time foreign correspondents had been allowed to see him, his previous statements being reported by the official Domsit Agency.

1913: Of Bryan's Gold
NEW YORK — Mr. William J. Bryan's announcement that he is going to continue his lecturing because he cannot live on his salary as Secretary of State — \$12,000 a year — has called forth much comment in the

Dukakis's Sh... a Touch of... R. William

WASHINGTON — The first time I met Jesse Jackson was at a conference of the establishmentarian African-American Institute in Lagos in 1971. Even among the black contingent in the American delegation, he looked like the odd man out — costless and useless, a young fire-breathing preacher with an Afro hairdo and an angry, brooding gaze.

No Appeasement

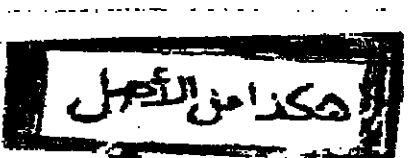
THE idea of appeasement is a relic of a bygone era. It is the policy of conceding to the demands of a more powerful nation in order to avoid war. It is a policy of weakness and surrender.

Hungary P...

BUDAPEST — The Hungarian Central Committee has announced that it will not accept the terms of the proposed peace treaty with the Soviet Union.

U.S. Stuns

MOSCOW — A U.S. official has been quoted as saying that the United States had given the Soviet government a "strong message" before the three-month program of the U.S. nuclear test ban.





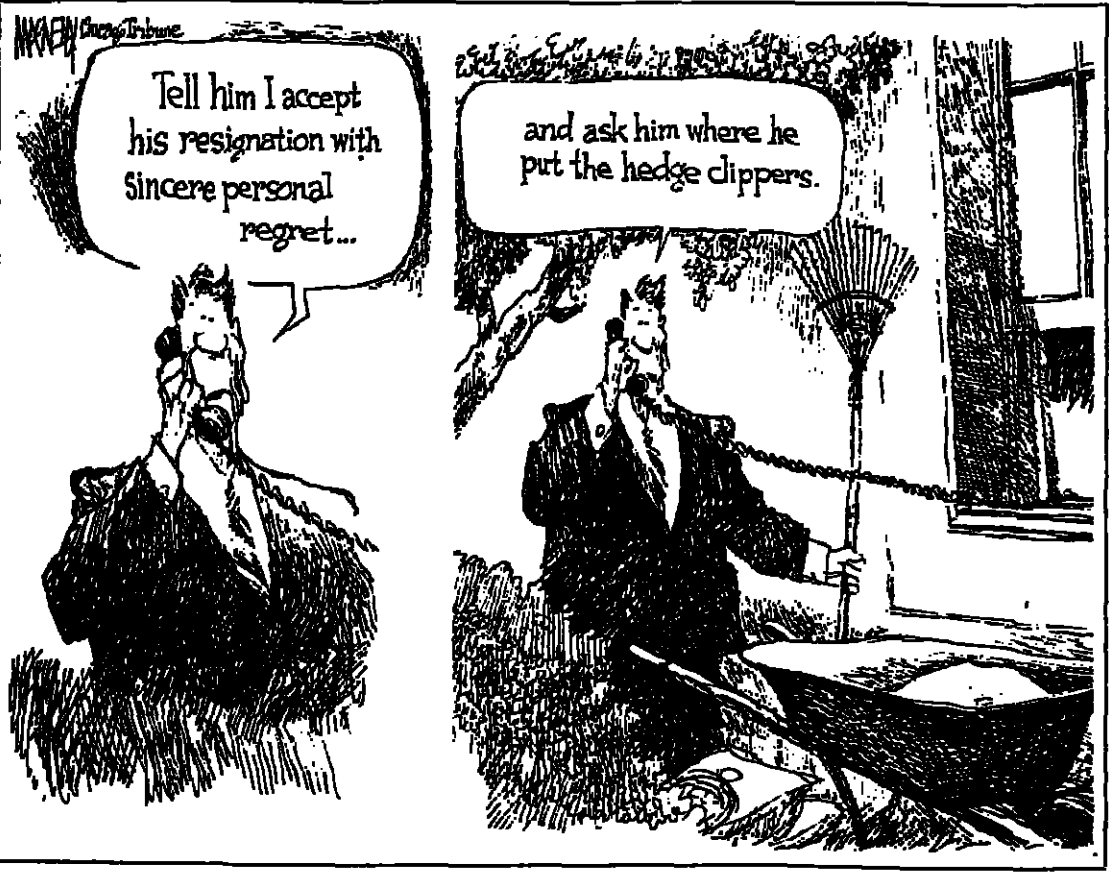
هكذا ان النحل

Why Jackson Is Loath to 'Disconnect'

By Philip Geyelin
WASHINGTON — The first time I met Jesse Jackson was at a conference of the establishment...

In Dukakis's Shrewd Choice Lay a Touch of Callousness

By William Safire
WASHINGTON — When Michael Dukakis makes a sound decision, he deserves a salute. His choice of Lloyd Bentsen was not only shrewd...



Confessions of a Red Head, Or, Don't Rain on My Pate

By Julian Young
PARIS — I burned my head again; I always do about this time of year. I was sitting in the sun having a picnic...

Vertical text on the left edge of the page, partially cut off.

LETTERS TO THE EDITOR

Missed Target on Beirut
Regarding 'They Went Despite Risks' (Letters, July 12): Tim Llewellyn's letter misses the target on both points...

No Appeasement

THE REAL story in 1988 is the ease with which Michael Dukakis suddenly broke from the crowd and dashed too far ahead to be overtaken...

EUROPEAN TOPICS

Britain Sets New Rules in Child Abuse Cases
Britain will tighten procedures for dealing with child abuse and will improve cooperation among policemen, social workers and hospitals...

Letters to the Editor

Don't Forget the VAT
Regarding 'IRS Eases Filing Rule for Foreign Tax Credit' (June 9): Now that the Internal Revenue Service and the U.S. Treasury have recognized the difficulty...

GENERAL NEWS

Hungary Postpones Reform
The 108-member Central Committee followed the ruling Politburo in backing the more radical of two plans for economic change...

Palestinian Is Sentenced in Athens

By Loren Jenkins
ATHENS — A Palestinian wanted by the United States on charges of planting a bomb on a Greek cruise ship was sentenced by a Greek court Thursday to seven months in prison...

U.S. Stuns Moscow Refugees

By Felicity Barringer
MOSCOW — A U.S. official has tried to explain to about 40 would-be refugees why the U.S. government had given no warning before declaring an across-the-board, three-month postponement on Soviet refugee visas...



LINDBERGH TRIPPER — Chris Marshall, 11, from California, being embraced by his mother after he landed his single-engine plane at Le Bourget airport near Paris...

European Film Award Born in West Berlin
Many European countries have their own film awards ceremonies, and the prizes are often described as the country's 'equivalent of the Oscars'...

AND 50 YEARS AGO

1938: A Purple Sabbath
The newspaper was the first to report that the German government had decided to annex Austria...



Vol.	High	Low	Last	Chg.
NYSE 20839	226	158	158	+ 1/4
Verizon	1875	24	24	+ 1/4
Comcast	1875	24	24	+ 1/4
Verizon	1875	24	24	+ 1/4
Verizon	1875	24	24	+ 1/4

NYSE adv. volume	172,410,000
NYSE adv. volume	172,410,000
NYSE adv. volume	172,410,000
NYSE adv. volume	172,410,000
NYSE adv. volume	172,410,000

High	Low	Close	Chg.
Composite	152.78	152.62	+0.16
Industrials	152.78	152.62	+0.16
Utilities	152.78	152.62	+0.16
Finance	152.78	152.62	+0.16

**Thursday's NYSE Closing**  
Via The Associated Press

Class	Prev.
Advanced	274
Declined	275
Total Issues	549
New Highs	13
New Lows	13

Class	Prev.
Composite	3962
Industrials	3962
Utilities	3962
Finance	3962
Technology	3962

Vol.	High	Low	Last	Chg.
Verizon	1875	24	24	+ 1/4
Comcast	1875	24	24	+ 1/4
Verizon	1875	24	24	+ 1/4
Verizon	1875	24	24	+ 1/4

Class	Chg.
Bonds	-0.07
Utilities	-0.07
Industrials	-0.07

Class	Prev.
Advanced	777
Declined	782
Total Issues	1559
New Highs	11
New Lows	11

Buy	Sales	SVT
July 13	24,620	34,644
July 14	49,114	119,270
July 15	29,024	43,785
July 16	21,831	24,155
July 17	21,831	24,155

Open	High	Low	Last	Chg.
Indus	2164.21	2162.71	2162.71	+0.50
Trans	2164.21	2162.71	2162.71	+0.50
Comp	2164.21	2162.71	2162.71	+0.50

High	Low	Close	Chg.
Industrials	312.7	312.7	+1.0
Utilities	312.7	312.7	+1.0
Finance	312.7	312.7	+1.0
Technology	312.7	312.7	+1.0

Class	Prev.
Advanced	1,102
Declined	99
Total Issues	1,201
New Highs	2,628
New Lows	2,628

High	Low	Close	Chg.
Composite	396.14	397.13	+0.99
Industrials	396.14	397.13	+0.99
Utilities	396.14	397.13	+0.99
Finance	396.14	397.13	+0.99

# NYSE Up Despite Rise in Prime

**United Press International**  
**NEW YORK** — Prices on the New York Stock Exchange brushed off an increase in U.S. prime lending rate Thursday to rise in moderate trading.

Many investors, however, sat out the session to await Friday's U.S. trade report for May. The Dow Jones industrial average, which rose 11.73 points Wednesday, put on 9.25 to close at 2,162.71.

Advances led declines by about a 7-6 margin. Volume declined to 172.4 million shares from 218.9 million traded Wednesday.

Broader market indexes posted modest gains. The New York Stock Exchange index rose 0.49 of a point to close at 152.76. Standard & Poor's 500-stock index rose 0.94 to 270.26. The price of an average share added 10 cents.

Prices on the American Stock Exchange finished slightly higher.

Shortly after the market opened, two of the nation's largest banks, Chase Manhattan and Citibank, raised their prime lending rates to 9.5 percent from 9 percent, effective immediately. Other banks soon followed.

The rate increase came one day after Alan Greenspan, the Federal Reserve Board chairman, told Congress that short-term interest rates may rise as part of the central bank's effort to stem inflationary pressures.

"People have been looking for a prime rate hike for weeks," said Al Goldman, market strategist with A.G. Edwards & Sons in St. Louis. "Reaction was ho-hum. And even though

Greenspan said a discount rate hike was not needed at this time, people are prepared for that as well."

Mr. Goldman said the market was looking ahead to Friday's scheduled release of the U.S. merchandise trade deficit report for May. And although "the importance of the figure has peaked in the market," Mr. Goldman said investors had little choice but to remain cautious ahead of a sometimes surprising number.

"Overall, the market action in the last few weeks has been very tired," Mr. Goldman said. "The seven-week rally has lost some of its momentum and just about completed a top."

"This market is able to go up because of all the people who are negative have done their selling," said Michael Metz of Oppenheimer & Co.

"The bond market has been very resilient, and even though short-term rates are higher, the longer-term rates are not under great pressure," Mr. Metz said.

"Everybody who is scared to death about the trade figure Friday appears to have sold," Mr. Metz said. "So I think all the negatives have been discounted."

"This market wants to go higher, and I think the next trend is aggressive buying that will lead to a substantial advance in the weeks ahead."

Mr. Goldman said the "very short-term" outlook called for another move toward 2,150 before the market turned lower and found support at around 2,050.

12 Month High	Low	Stock	Div. Yld. PE	52 Wks High	Low	Close	Chg.
270	14	AAR	3.0	13	26	26	+ 1/4
270	14	AAR	3.0	13	26	26	+ 1/4
270	14	AAR	3.0	13	26	26	+ 1/4
270	14	AAR	3.0	13	26	26	+ 1/4
270	14	AAR	3.0	13	26	26	+ 1/4

12 Month High	Low	Stock	Div. Yld. PE	52 Wks High	Low	Close	Chg.
270	14	AAR	3.0	13	26	26	+ 1/4
270	14	AAR	3.0	13	26	26	+ 1/4
270	14	AAR	3.0	13	26	26	+ 1/4
270	14	AAR	3.0	13	26	26	+ 1/4
270	14	AAR	3.0	13	26	26	+ 1/4

12 Month High	Low	Stock	Div. Yld. PE	52 Wks High	Low	Close	Chg.
270	14	AAR	3.0	13	26	26	+ 1/4
270	14	AAR	3.0	13	26	26	+ 1/4
270	14	AAR	3.0	13	26	26	+ 1/4
270	14	AAR	3.0	13	26	26	+ 1/4
270	14	AAR	3.0	13	26	26	+ 1/4

12 Month High	Low	Stock	Div. Yld. PE	52 Wks High	Low	Close	Chg.
270	14	AAR	3.0	13	26	26	+ 1/4
270	14	AAR	3.0	13	26	26	+ 1/4
270	14	AAR	3.0	13	26	26	+ 1/4
270	14	AAR	3.0	13	26	26	+ 1/4
270	14	AAR	3.0	13	26	26	+ 1/4

**TRAVELER'S CHOICE**  
Some Additions to the Menu  
East Access to Paris Museum  
American Connection at  
Looking Days of the  
A Jockey-Eye View of  
New European Collection

هكذا من الكحل

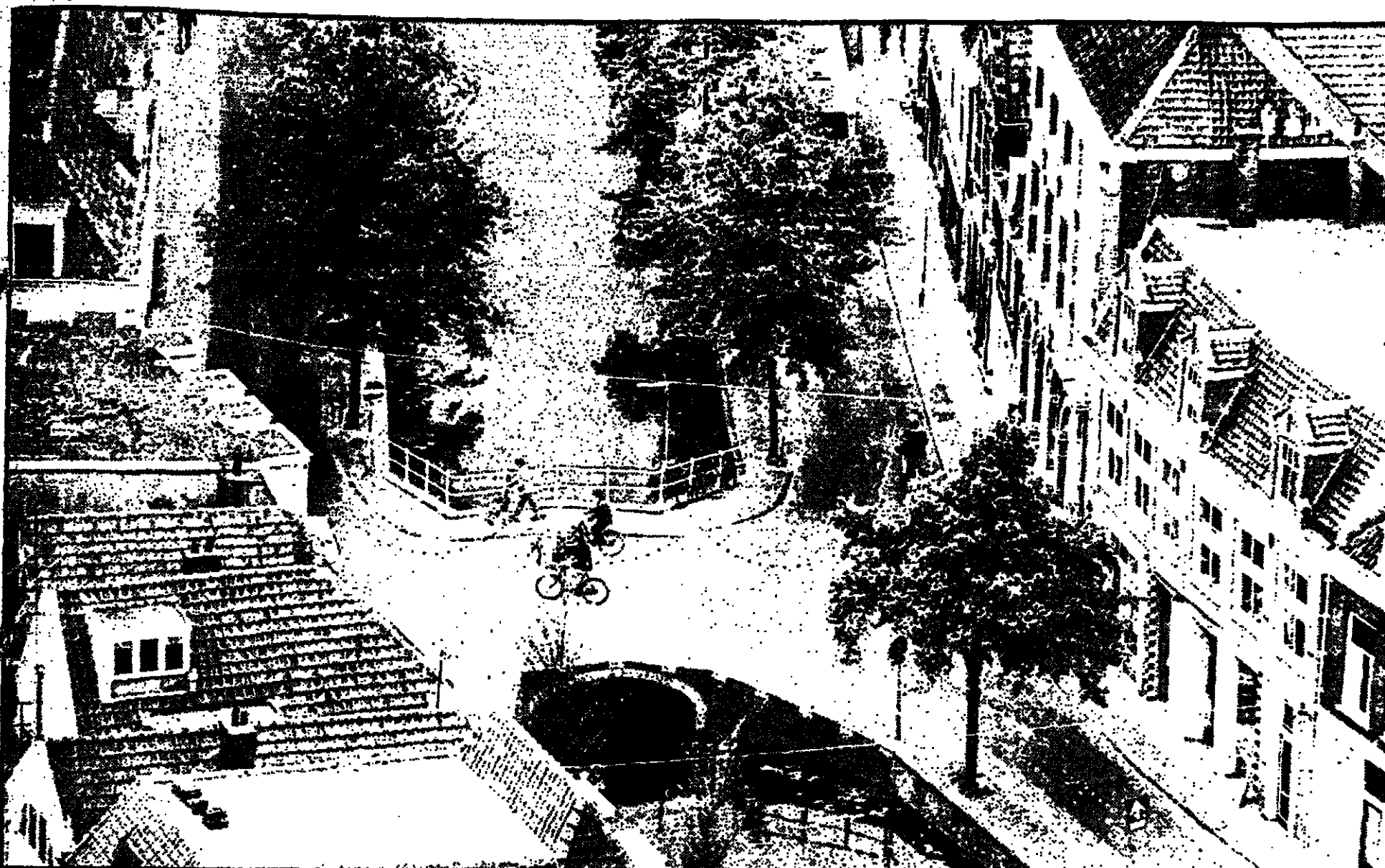
(Continued on Page 10)



# TRAVEL

International Herald Tribune

- Tracking Great Bouillabaisse
- On the Trail of Veronese
- A Corking Good Wine Guide



In Delft, The Netherlands, the canals are bordered by lime trees, and the blue pottery that is synonymous with its name fills the museums, shops and factories.



## TRAVELER'S CHOICE

### Some Additions to the Midnight Sun

Europe's northernmost point, the North Cape on the island of Mageroy in Norway, has always offered visitors a sweeping view of the midnight sun from a 1,000-foot (300-meter) cliff, but little more in facilities than a cafeteria and souvenir stand. As of this summer, the site has a new visitors' center with restaurant, bar, video theater and telecommunications center. The restaurant and, atop it, a dome with displays of modern telecommunications equipment, are built above ground. Through a 295-foot tunnel is an underground bar, where visitors sip champagne (as is traditional when one reaches the top of Europe) and a panoramic window. Also below is a theater with a multiscreen video show about the island and Norway's Finnmark Plateau. Admission to the center is \$10. Mageroy and the North Cape can be reached only by ferry, but a bridge that will connect the island with the rest of Finnmark is due to be completed in 1990.

### Easy Access to Paris Museums

The Carte pass, which can be used for reduced admission at more than 60 museums and monuments around Paris, now can be bought for one, three or five days. The pass, as originally introduced last year, was sold for a one-time cost of about \$15 for the calendar year. Now it costs 50 francs (about \$8) for one day, 100 francs for three and 150 francs for five days. Also new is that many museums allow holders of the Carte to bypass admission lines and allow unlimited readmission over the period the card is valid. The pass is sold in Paris at major Metro stations and most of the participating sites.

### American Connection at Cambridge

The Cambridge summer festival, "American Connections," which runs July 16-31, celebrates American culture with a program including film, literature, arts and music. The Cambridge Symphony, the King's College Choir and Halle Orchestra have scheduled works by American composers including Gershwin, Copland, Bernstein, Ives and Barber. Jazz includes performances by John McLaughlin and Art Blakey. Also taking part will be the Dada Cabaret, Revue from New York and the Guildhall School performing Gershwin's "Girl Crazy." The Fitzwilliam Museum is showing "Three Generations of Wyeth Art" through Aug. 29. . . . The Henry Wood Promenade Concerts in London begin the 94th season July 22 and run to Sept. 17, mostly in Royal Albert Hall. The Australian Youth Orchestra will return, and Fiedlerman, the Sydney-based group, will make its London debut. Other participants will be the Lyons Opera Orchestra, the New York Philharmonic, the Leipzig Gewandhaus Orchestra and the Amsterdam Concertgebouw Orchestra.

### Evoking the Days of the Steamboats

The Nantucket Clipper, a modern 207-foot yacht, will make a voyage that evokes the days of the steamboats that operated along the northeastern U.S. coast from late in the 19th century until before World War II. Sponsored by the Steamship Historical Society of America, the trip will begin in Boston on Aug. 13 and end there on Aug. 20. The 100-passenger yacht will visit Nantucket, Martha's Vineyard, Newport, New Bedford and Plymouth. Rates, including air fare from most U.S. major cities and meals, begin at \$1,526. Information: John H. Shaum Jr., 714 Cedarcroft Road, Baltimore, Maryland 21212.

### A Jockey's-Eye View of Racing

The National Museum of Racing and Hall of Fame in Saratoga Springs reopens Friday after a \$6 million, 10-month renovation. A special show of 42 paintings of racing scenes in 18th- and 19th-century England, collected by Paul Mellon, kicks off the reopening. Among new permanent exhibits are a starting gate that visitors can enter, visitor-activated monitors displaying film clips of famous races and a 15-minute video presentation on a 10-by-40-foot screen of a jockey's-eye view of a race.

### New European Collections of Note

In Rome a wing has been added to the Modern Art Gallery, which exhibits collections of late-19th-century artworks. In Barcelona, new galleries in the Joan Miró Foundation building will display a permanent exhibit of works by Miró and others.

## In Delft, Potters Hand-Paint the World Blue

by Israel Shenker

Delft stands for blue and white pottery; in fact the whole town positively hums the blues. Rare is the café or home without its casual collector's item — a blue and white vase set off by stately tulips, a fireplace framed with exquisite old tiles, an antique jar offering sanctuary to rusty keys and pencil stubs. On the central square of the town five miles (eight kilometers) from The Hague, no fewer than 10 establishments are devoted to the mission of disseminating hand-painted delft blue.

Local potters have devised myriad forms to accommodate their traditional products. Do clients want pottery in the shape of wooden shoes? Abracadabra — "wooden" shoes in delftware? Windmills? Clocks? Piggy banks? Child's play. The town itself is an alluring showcase for its most celebrated creations. Delft is where Vermeer was born, lived and died; indeed he does not appear ever to have left the place. In this cozy, urban universe he immortalized the life of every day, with glowing interiors and intimate portraits. The town richly conveys first-hand testimony to his vision — the facades he admired, the streets he walked, and the facades of descendants — faithful reproductions of those he painted. All this is conveniently collected in the inner town, which is made up of 14 islands with 90 bridges. On every hand is evidence of a passion for preservation, and for building on a modest scale.

The factory called De Porceleynse Fles (The Porcelain Jar), goes back to 1653. It was sold in 1874 to a Delft engineer named Joost Thooft, who worked to improve the local product and developed a superior blue. Today De Porceleynse Fles, honored with the designation, royal stands virtually alone as the producer of the ware that has made the name delft generic for classic blue pottery.

PAUL LABOUCHERE, grandson of Abel Labouchere, who was Thooft's partner, is vice president. He came into his grandfather's enterprise by coincidence, but the blue was obviously in his blood. When I suggested that the company could boost profits by abandoning hand-painting in favor of mechanical reproduction, Labouchere was shaken. "We would never do that!" he exclaimed, as though I were asking him to put water in his Dutch gin. "Delft has become known all over the world for its hand-painting," he said. "We make decorative products, but not utilitarian objects: no such thing as dinnerware or articles you can put in the dishwasher. This is art produced on a large scale, and people regard it as precious. It's very annoying when people call things delft which come from Korea and Taiwan." Herman Koster, Royal Delft's managing director, said the Porcelain Jar was the oldest ceramic factory in Europe. "And it's the only place where people are producing earthenware the way they did 300 years ago — entirely hand-painted," he added.

Koster waxed eloquent when he spoke of his Royal Delft artists who take up the brush at about age 16, and proceed through rigorous stages.

The factory welcomes visitors — upward of 175,000 a year — and offers demonstrations of its craft plus a stunning selection for sale in an attractive retail shop archly described as a blue-tique. The cheapest item is a delft blue thimble that retails for about \$22. A plate of about 18 centimeters (seven inches) in diameter sells for \$72, another of twice that diameter, reproducing "Girl with Earring," costs \$1,340, a sum that might have pleased Vermeer for his original in the 17th century. The last copy of an edition limited to 20, a blue and white

version of Rembrandt's "Nightwatch," sold last year for \$18,000. But there is still time to buy the remaining copy — an edition of two — of a 17th-century naval battle scene, 3 feet by 5½ feet, going, not quite gone, for \$22,000.

Traditional blue represents 60 percent of sales. The factory also produces polychrome (mainly yellow, red, blue, and green), Pijnacker (red, blue and gold) and black delftware. Green delft was abandoned because the green was unstable, and production difficulties ended the run of red craquelé.

Royal Delft has a splendid museum of choice pieces. A large number of treasures came as a gift from King William III, who sought to encourage the delft

renaissance in the 19th century. To house the trove, he had sent along a huge, lovely, wooden cupboard.

The ceramic contents were, of course, fit for a king. Unfortunately, not even a ruling monarch can protect the name delft. Spelled with a small d, the word has entered the English language to cover glazed earthenware not even made in Delft. Inferior pottery labeled delft inundated the market, and this has raised the specter of Koster's last stand. But he has influential allies. When Dutch nobles go abroad they often take along authentic delftware. "Holland is famous for butter, milk and cheese, but delftware

Continued on page 8.

## Taking the Waters: Ecstasy and Agony In Czechoslovakia

by Robert K. McCabe

FRANTISKOVY LAZNE, Czechoslovakia — There comes a time in everyone's life when the idea of going off to a spa and taking the waters — what else? — is irresistible.

So we didn't resist. Sandra's left knee had stopped working several weeks ago. Both of mine ached. Lower back pain descended on me several years ago. Was it arthritis? Rheumatism? Sciatica? Gout? Too many cigarettes or simply an overdose of good French food? We had no idea.

*We had always wanted to be able to say that we'd been in Marienbad.*

So we decided to spend a week at Frantiskovy Lazne, a vintage Czech spa which specializes in frezing up creaking joints. It also specializes, Czech friends took great glee in telling us, in the problems of women who wanted to become mothers.

But I had long been persuaded that the small corner of Western Bohemia that shelters this spa was the place for us, not only because of aching bones but because we had always — at least since the 1961 film by Alain Resnais — wanted to be able to say that we'd been in Marienbad, too. And what's now renamed Mariánské Lázně (it specializes in digestive problems) was only an easy hour's drive away.

through Bohemia's meadows and groves. Beautiful Bohemia, on the drive out, was just as advertised, but we had our doubts at first about Frantiskovy Lazne. It looked a little run down as we trundled in one evening, and Sandra actually turned pale after we walked into a small hotel on Main Street to ask where our room might be. The place was, to put it as delicately as possible, smelly.

AND our Hotel Pawlik, when we found it, was very anonymous, and the desk clerk looked upsettingly like Jack Palance in "Shane" (a particularly malevolent role). And he brushed aside both my paunchy German and my voucher from Balnea, Czechoslovakia's spa booking agency. "We have no room," he announced.

But then, after he made a phone call, life brightened. Yes, we did have a room after all, and he pointed us to it, and it turned out to be the last one available. It was a suite. There were no evil smells. But there was a large bedroom, a more than adequate bath, and a rather oddly but splendidly furnished living room that boasted a television set, fridge and a high-powered radio. And there was a balcony. We felt suddenly very grand indeed.

Next morning we came back down to earth. A stern-looking nurse marched us along to our assigned doctor, Ivana Hlypova, a cheery woman from Moravia who spoke a bit of English. We were poked and prodded and weighed and measured and Sandra was escorted off to the X-ray studio while I was given a new Dutch-made ultrasound massager to rub over my aching knee awhile.

Continued on page 9



Market scene in Hunan.

## The Hill People of China

by Edward A. Gargan

FENGHUANG, China — Sometimes, as dawn's first purple splashes ooze through the folds of mist that swaddle the steep hills here, the rattle of firecrackers echoes from a not too distant treeless slope as a group of Miao people bury one of their dead. Though burials are banned in China in favor of cremation, the coffin-maker on the main street was busy the day before, planing and sanding long white planks in a trade that has all but disappeared from this country.

In this small town in western Hunan, older rituals of life and death that have changed or vanished throughout much of China remain among the hill people, the Miao who migrated to this remote land centuries ago. As much of old China is bulldozed into rubble, replaced by endless cement apartment blocks, or renovated into indistinguishable ersatz architectural forms vaguely reminiscent of every Chinese dynasty but specific to note, this river town of 17,000 people resonates with the smells and habits and sights of the past.

China's William Faulkner, Shen Congwen, was born here in 1902, a writer who for nearly seven decades explored the quotidian life of the Miao and Chinese alike in a dense, allegorical style. He told, with a penetrating eye, of the quarandaries of love in a starkly formalized society, of families who lived on river boats, of villagers and banditry and the mysteries of Chengzhou magic and the jinxes of witchcraft. He wrote too of Fenghuang:

"This lonely border town with its round city wall of big, solid rough-hewn stones, is encircled by over 300 Miao villages with garrisons between them. There are also approximately 300 forts and 200 barracks. . . . This was according to a mastery plan drawn up 180 years ago to cope with the Miao tribesmen driven back to that territory who often revolted. . . . Now, all this has changed. Most of the forts are in ruins, most of the barracks are occupied by civilians, and half the minority people have adopted Chinese ways. But at sunset or dusk, if you climb a height in that town which stands impressively alone surrounded by mountains, gazing at the ruined forts near and far, you can still conjure up a

faint picture of the past when bugles, drums and torches raised an alarm."

Long closed to foreign visitors, Fenghuang and much of this part of western Hunan has now been opened to travelers who exult in the unbeaten track. A 15-hour train ride from Hunan's capital city, Changsha, to the prefectural seat of Jishou, a shabby town of muddy streets and few cars, followed by a 90-minute drive on a snake-like strip of macadam through mountains, brings a voyager to Fenghuang.

RIFE with folk tales, Miao culture pervades this town that straddles the Tuo River, as well as the secluded hill villages that squat on ledges and in valleys.

Narrow alleys paved with large flat flagstones, impassable to vehicles, slip along the river's edge sandwiched between houses of ash-gray granite and tobacco-colored wood. More modern streets surround the old town, with cement buildings in loud pastels and new metal shutters.

Continued on page 8



TRAVEL

THE FREQUENT TRAVELER

Sizing Up Rules For Carry-Ons

by Roger Collis

CHECKING in at an airport with carry-on luggage these days can be a greater ordeal than waiting for the nod at the door of a private disco.

In Europe, a notice will say, one piece of hand baggage only. Well, yes, but I only have this six-suit garment bag containing my sales presentation, an overnight bag and my briefcase.

You now have to run the gauntlet of security, the gate manager and finally the cabin attendant at the door of the plane, all of whom may strip you of all but one of your remaining bags.

This kind of scenario is becoming familiar to business travelers as they face up to stricter limits on the amount of baggage you can bring on board a plane.

Most people agree that something had to be done. The problem is that the new carry-on rules vary from one country to another and from airline to airline.

In some cases the airport authorities call the shots. In Spain, for example, the X-ray machines have a template which only allows bags of the "right" size to pass through.

What counts as allowable hand baggage is also open to interpretation. Officially, the only items exempt are a purse or handbag, an overcoat, umbrella and cane, crutches, a camera but not a camera bag, a reasonable amount of reading matter, an infant bag, and duty free bags in Europe, at any rate.

Savvy travelers are now planning trips on the basis of which airlines, aircraft types and schedules airports will be most hospitable to carry-on baggage.

Says David Kyd, a spokesman for IATA in Geneva, "The feeling among airlines is that this is a commercial issue, not a purely safety one. And that a certain leeway should be left to them."

Wood houses, their planks stained deep ochre from tung oil, teeter gingerly over the currents of the Tuo, their floors balanced precariously on wooden stilts like spindly stork legs.

Along the south bank of the Tuo, the city wall marches ponderously from the city gates. About midway between the two bridges, one of the old gates, its wooden tower reconstructed somewhat, pokes above the middle of houses and the wall itself.

Not far from Shining Screen Gate, behind a cracked wooden door that leads into a small courtyard, is the house where Shen Congwen was born and spent his early childhood.

On market day, the roads are lined with yard and a small dark room set off to the right is where the writer slept as a young man.



Detail from Veronese's 'Banquet in the House of Levi.'

China Continued from page 7

Three bridges span the Tuo River within the town. A steeply pitched flight of stone steps tumbles from the north end of one bridge to one of the small alleys that parallels the river to the east.

Many window frames still yawn with carved wood latticework that filters light into the dim interiors of the old houses.

Along the south bank of the Tuo, the city wall marches ponderously from the city gates. About midway between the two bridges, one of the old gates, its wooden tower reconstructed somewhat, pokes above the middle of houses and the wall itself.

Not far from Shining Screen Gate, behind a cracked wooden door that leads into a small courtyard, is the house where Shen Congwen was born and spent his early childhood.

On market day, the roads are lined with yard and a small dark room set off to the right is where the writer slept as a young man.

On market day, the roads are lined with yard and a small dark room set off to the right is where the writer slept as a young man.

Fenghuang encountered the modern world very late. In 1951, the first electricity came to town, and only in 1955, after a gravel road was put in, did the first car succeed in making it to the city wall.

To the east of Fenghuang, the passageways continue past the clutter of housing out into nearby hills where scattered villages struggle amid paddy fields wedged in the crook of the Tuo.

Shanjiang, a tiny town northwest of Fenghuang, is a market town. The main street, a curving dirt swath that becomes muddy in the rain, begins filling with Miao women and children toward noon on market day.

Here and there, a plump pig grovels in the dirt for grubs and young boys run through the throng yelling in high-pitched voices.

Toward evening, the gravel road from town fills with Miao women, their back baskets hanging heavily with the day's purchases.

On market day, the roads are lined with yard and a small dark room set off to the right is where the writer slept as a young man.

Miao women trooping miles from the hills toward the market town, voluminous thimble-shaped baskets woven from bamboo slung on their backs like knapsacks.

Shanjiang, a tiny town northwest of Fenghuang, is a market town. The main street, a curving dirt swath that becomes muddy in the rain, begins filling with Miao women and children toward noon on market day.

Here and there, a plump pig grovels in the dirt for grubs and young boys run through the throng yelling in high-pitched voices.

Toward evening, the gravel road from town fills with Miao women, their back baskets hanging heavily with the day's purchases.

On market day, the roads are lined with yard and a small dark room set off to the right is where the writer slept as a young man.

On the Trail Of Veronese In Venice

by Michael Gibson

VENICE — Only a few months ago, St. Jerome was in a sorry state; covered with mold and grime, you could hardly make him out anymore.

For this anniversary, the city is displaying many of its restored treasures by Veronese at the Accademia (to Sept. 30) and encouraging tourists to roam the city and visit churches and other buildings where his paintings can be seen.

A brochure sold at the Accademia and in tourist offices contains a map indicating the buildings and their hours, and a summary description in Italian of the paintings to be seen.

This is a large work (5 1/2 by 13 meters, or about 18 by 43 feet), completed in 1571. "As most art students know," said Cadornin, "it was originally intended to represent a Last Supper."

The Inquisition could no longer object and the painting was installed in the refectory of a Venetian convent.

In 1829 a Venetian painter, Sebastiano Sant'Antonio, was entrusted with the restoration. Among his more dubious initiatives was the over-painting of Veronese's sky in which the shades of night were turned to day.

The "Annunciation" also a mature work, presents a problem that allowed Cadornin to make an interesting point. The Virgin Mary is standing on the far right.

Heading for business aboard a jetliner, after all, is part of your life. And so is keeping abreast of what makes the world go round.

entrance of the angel on the far left. But what is one to make of the blue patch under the chair at center right? As it happens, the painting was mutilated at one point, and the whole central part of the floor was cut out.

This patch, says Cadornin, was originally the tail end of the Virgin's robe which, in the current version, is cut short at her feet. Once this is understood, it becomes apparent the Virgin was sitting on the chair when the angel appeared.

AFTER the Accademia, one can head for the church of San Sebastiano. Instead of the simpler route along the Zattere and the Giudecca Canal, follow the narrower streets and canals, passing by San Trovaso and the little Rio Ognissanti.

San Sebastiano was built around 1506 to honor the saint who, according to the symbolic language of belief, had protected Venice from the fatal ravages of the plague some 50 years earlier.

The entire inner surface of the church and the ceiling of the sacristy were decorated by him with frescoes and paintings. Time has provoked an imbalance — the frescoes have grown paler while the paintings grew darker.

A small detour on the way to the church of San Barnaba allows a visit to the church of the Carmine (currently being restored) and the delightful Campi Santa Margherita, with its outdoor market — a detour that takes the visitor through part of the city where normal life continues even as invading hordes stamp across San Marco.

San Barnaba offers an intimate Veronese "Holy Family" dating, it is believed, from around 1560.

Another imposing body of works by Veronese is to be seen in one of the Doge's Palace, where the painter decorated four of the important halls of state. There are eight more churches in various parts of Venice (including the island of Murano) with one or more paintings and offers a pretext for idling through streets not frequented by tourists.

Near the Biennale gardens, for instance, there is San Giuseppe di Castello, beside a broad canal cheerfully beflagged with the day's wash. Visitors arriving toward six in the evening may not be able to see Veronese's "Nativity" from close up, because the church may well be occupied by two dozen old Venetian women, reciting the rosary in the nasal singsong of the city's speech.

As consolation, there is a striking trompe l'oeil ceiling, not noted in the more compact guidebooks, which gives the impression that the building is at least twice as spacious as it really is. The illusion is perfect when one stands on a stone loggia at the center of the building. But it is also strange to see the whole top floor vaulting ominously and falling as one walks away from the spot, looking up.

When the timer went off and twilight began the sense of relief was enormous. This is a benefit of the treatment after a brief rest. Next is a focusing down in mind, you cover in a shower and are sprayed by the water, as the uncomprehending commotion. It is all simply demeaning. Then you are swabbed with a wet cloth, and made from the ordeal. With luck, at least occasional equilibrium will return.

The other treatments were less desirable. There was sunbathing therapy, pleasant, and some fairly ancient moments in which strong blonde plucked at the spine as if they were plucking a bird. But you certainly felt invigorated.

Mornings were busy, afternoons muddled around the lovely Bedrich Spa park across the street, listening to brass bands out, watching knowledgeable young black-haired squirrels and the occasional rabbits popping through the grass, scattered through the grounds, splendid, though in style. The garden tower of a particularly pleasant dining room of an old political man to the spa was always a giggling crowd around

The town's pottery trade began three centuries ago when Delft was celebrated for beer, and there were more than a hundred breweries. When water pollution destroyed the beer industry, resourceful brewers scrambled to avoid being left high and dry. The Dutch were at war with Spain and Portugal, and prizes of war included Chinese porcelain, with more arriving in ships of the East India Company — whose headquarters building still stands in Delft.

By the end of the 17th century there were 30 potteries. But French and German porcelain, and Josiah Wedgwood's development in England of the white pottery body, left Delft potters helplessly spinning their wheels. Delftware was highly porous, Dutch clay — with its iron oxides — unsuitable for white pottery, and the cost of importing foreign clay was prohibitive.

William the Silent lived in the neighboring 15th-century Prinsenhof, or Prince's Court, and led the Dutch struggle against Spain's hegemony. It was in the Prinsenhof that an assassin waylaid the Father of the Fatherland, and two bullet holes in the wall, now set off by a frame and meticulously captioned, are the most popular exhibit. The Prinsenhof now serves as a handsome repository for other historic relics, and for paintings, pottery, silver and tapestries.

Delft, a town of 86,000 inhabitants, has many small hotels, and for those seeking luxury the simple solution is to stay in The Hague, seven minutes away by train, with more than a hundred departures daily. There is even a streetcar — Tram Line I — that runs from Delft to The Hague and seaside Scheveningen. Unaccountably, there is not yet a blue-tique aboard train or tram for last-minute purchases, but this is surely only a passing oversight.

Israel Shenker, a writer who lives in Scotland, wrote this for The New York Times.

Save 40% or more off your newsstand price when you subscribe for 12 months to the International Herald Tribune.

The longer you subscribe the more you save.

Table with columns: Country/Currency, 12 months + 52 ISSUES SAVINGS %, 6 months + 26 ISSUES SAVINGS %, 3 months + 13 ISSUES SAVINGS %. Rows include Austria, Belgium, Denmark, Finland, France, Germany, Gr. Britain, Greece, Ireland, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Rest of Europe, Africa, Middle East, Rest of Africa, Gulf States, Asia.

\*In Germany, hand delivery is available in major cities on publication days. For details, please check here and fill in your address below. \*\*At these rates, you can get early morning hand delivery in the following cities: Oslo, Stavanger, Stockholm, Göteborg and Malmö. Offer valid through December 31, 1988 for new subscribers only.

Subscription form for International Herald Tribune. Includes fields for name, address, city, country, and payment options (check, credit card).

Beware of modesty in flying and reading!

Heading for business aboard a jetliner, after all, is part of your life. And so is keeping abreast of what makes the world go round. Reason enough to be demanding:

Take that heartwarming Swiss hospitality as a guest of Swissair. And enjoy going through the International Herald Tribune high above the clouds.

As it would seem only natural, these two advocates of wide horizons cruise the skies of the world together. Join them whenever you can!

Swissair advertisement featuring the logo and the text 'Herald Tribune'.

Delft Continued from page 7

makes a much better gift," said Royal Delft imports its clay from England's Cornwall.

The city of Delft is a treasury of vintage charms. The marvelously compact and enticing center is intricately adorned by houses of centuries past, with low buildings still the vogue: steeped gables, high, narrow stairs, humble streets, well-concealed courtyards, long canals bordered by lime trees.

He insists that all products are hand-painted, and that he sells cheaply because his sole outlet is the factory store. "We have painted cows and houses and buildings and anything the client ordered," he said.

The town's pottery trade began three centuries ago when Delft was celebrated for beer, and there were more than a hundred breweries. When water pollution destroyed the beer industry, resourceful brewers scrambled to avoid being left high and dry.

By the end of the 17th century there were 30 potteries. But French and German porcelain, and Josiah Wedgwood's development in England of the white pottery body, left Delft potters helplessly spinning their wheels.

William the Silent lived in the neighboring 15th-century Prinsenhof, or Prince's Court, and led the Dutch struggle against Spain's hegemony. It was in the Prinsenhof that an assassin waylaid the Father of the Fatherland, and two bullet holes in the wall, now set off by a frame and meticulously captioned, are the most popular exhibit.

Israel Shenker, a writer who lives in Scotland, wrote this for The New York Times.

Spa advertisement for 'Fly B' featuring a map of Europe and promotional text.

Handwritten Arabic text at the bottom of the page.



TRAVEL

Bouillabaisse: A Simply Complex Myth and Reality

MARSEILLE — The bouillabaisse trail begins at the Old Port of Marseille, where one of the most famous fish markets in the world, on the Quai des Belges—takes place each morning. It is here that all good lessons in the famous fish soup of Provence must begin.

As markets go, this one is minuscule. A dozen or so worn, painted wooden stands, rickety affairs no bigger than card tables, are set up about 8 A.M. each day. Fishermen, their wives and children, wrapped in thick denim aprons and protective yellow slickers,

fisherman's soup that logically began as a one-dish meal made up of whatever the fisherman had left over as the market closed, remains shrouded in mystery, in folklore, and constant international debate?

Thackeray wrote an ode to bouillabaisse, and the Provençal poet Frédéric Mistral called it a "golden soup, the color of the setting sun."

Who made the first bouillabaisse? Some say it can be traced to the Roman goddess Venus, who prepared the saffron-rich soup as a soporific for her husband, Vulcan. Others suggest that it was really created by the mother superior of a convent in Marseille, as a fitting Friday lunch.

There is no single authentic recipe for bouillabaisse, but rather a blueprint, or list of ingredients. There are probably as many recipes for bouillabaisse as there are chefs to cook it, and pots to cook it in.

The chefs of Marseille—the undisputed capital of bouillabaisse—have even banded together to form a bouillabaisse charter in which they promise, like good soups, to honor and obey the rules they have set down. But why all the fuss? France has as many fish soups as it has regions, and none of the others get a fraction of the attention. I don't know anyone who works up such a fuss over the origins of Burgundy's freshwater pot chowder, the Basque country's torro, Brittany's cotriade, Sète's bourride, the Atlantic coast's chaudière, or the Flemish waterzof. Because, simply, none of them tastes as good as bouillabaisse at its best.

Beyond the assortment of fresh fish, what constitutes a great bouillabaisse? Top quality olive oil, fresh tomatoes, a parsimonious dose of saffron threads, along with onions, a few sprigs of fennel, and bay leaf. Traditionally, a few sliced, cooked, potatoes—three or four slices a person—are added to the soup at serving time.

There are two basic ways to prepare a bouillabaisse. That served at waterside bistros in Marseille and along the French coast are two-step affairs, known as bouillabaisse riche: First a fish broth is prepared with whole fish and fish trimmings, along with the traditional vegetables and seasonings. The

broth is strained, then at serving time additional whole fish, fillets and steaks are cooked in the strained broth.

It is logical that the original bouillabaisse was a simpler affair. Tomatoes, onions and herbs were stewed in olive oil, fish heads and trimmings were added, boiling water covered it all and in 10 minutes you had your stew. The broth was strained, cooked fish cut into chunks and voilà! instant bouillabaisse.

No matter how it is prepared, the color of the broth should range from sunset orange to the red of a ripening tomato. (Beware of mud-brown fish soups, probably made with stale fish, improperly cleaned.) The broth itself should be delicately flavored, with faint hints of olive oil and tomatoes and distinct reminders of the sea.

There are those who insist you can't make good bouillabaisse except in Marseille. But a quality bouillabaisse depends first upon freshness, then on variety. All along the Mediterranean coast, from Marseille to Nice, you can find authentic bouillabaisse. As long as you have access to the freshest rockfish, you can make a marvelous one.

HOW about embellishments and condiments? Do potatoes, lobsters, mussels, langoustines, or grated cheese have a place? Potatoes, definitely. Shellfish, no. Cheese, never.

Most restaurants serve two sauces with bouillabaisse, both the garlic-rich mayonnaise known as aioli, and the russet-hued sauce known as rouille. To complicate matters, there are two "authentic" kinds of rouille. The simplest rouille is made by adding saffron and hot red pepper to a prepared aioli. The second version is a mayonnaise-like blend of bread, garlic, cooked potatoes, broth, oil, and peppers.

Here is a selection of recommended restaurants offering veritable bouillabaisse feasts:

Chez Fonfon: This authentic fishermen's bistro on a sleepy, folkloric valley port, the Vallon des Auffes, hidden from the bustle of Marseille's Vieux Port, is my favorite address for a Marseille bouillabaisse. Fonfon himself—the big, jovial Alphonse Mounier—will be there to greet you at the door. More likely than not, he will be sipping a drink with the local fishermen, but welcomes first-time visitors as cheerfully as faithful regulars. From its run-down, port-side exterior, you would hardly envision the sparkling interior, where everything glows and glistens. The tables, with starched linens, overlook the lively port, where at lunchtime you can watch fishermen and their wives dock their small boats and untangle nets as cats scatter by and gulls swarm about. The bouillabaisse here is super-fresh. Waiters with a friendly, professional air serve the vermillion red soupe de poissons out of beautiful white bistro-style

terrine, while the fish (we sampled monkfish, scorpion fish, and conger eel) await your attention on huge elongated fish platters. I loved, especially, their fiery rouille, prepared with a healthy, extra dose of red cayenne pepper. As we managed to roar on through two generous helpings of Fonfon's bouillabaisse, the waiter offered a serious smile, and in a congratulatory voice said: "You've paid real homage to bouillabaisse!"

Peron: I can't imagine that one could have a bad time at Peron, a bright, sun-filled restaurant built like a ship, all on its own at the edge of the water just down from the Vieux Port. Colorful sailboats and big gray cargo ships float by, as a series of tamed waiters attend to the diners' every wish. The bouillabaisse here is more than correct (though on one visit the Saint-Pierre tasted oddly dry and tough). Here, the potatoes are cooked in the saffron-rich soup, turning them a golden yellow. The last time I sampled Peron's version of bouillabaisse, they served up five different varieties of fish, including yellow gurnard, monkfish, John Dory, weever and scorpion fish.

Bacon: This beautiful, garden-like restaurant overlooking the Mediterranean offers some of the freshest, most carefully selected fish in all of France. Each morning, Bacon's owner, Adrien Sordello, can be found bargaining with the fishermen's wives in the Forville market in Cannes, while his brother, Etienne, negotiates with fishermen in Antibes. Their bouillabaisse is the best to be found in France, thanks to their tenacity and high standards. "Only one of a thousand diners really understands what we go through to secure fresh fish," says Adrien, but that doesn't stop them from, each day, doing what they know to be the best. Each morning the chef, Serge Philippin, prepares a soupe de poissons, a rich fish soup from the tiny rockfish found along the coast. When orders come in, he cooks up portions of fish bought that day in the market, adds sliced cooked potatoes, an extra dash of saffron, and serves it up with fresh aioli and rouille. An extra treat is his special bouillabaisse bread, regular baguettes to which their baker adds fennel seeds and saffron.

(Prices are given for bouillabaisse, not including wine.)

Chez Fonfon, 140 Vallon des Auffes, Corniche J.F. Kennedy, 13007 Marseille; tel: 91.52.14.38. Closed Saturdays, Sunday, October and Christmas week. Bouillabaisse 220 francs a person.

Peron, 56 Corniche J.F. Kennedy, 13007 Marseille; tel: 91.52.43.70. Closed Sunday evening, Monday and January. Bouillabaisse 212 francs a person.

Restaurant du Bacon, Boulevard du Bacon, 06600 Cap d'Antibes. Telephone: 93.61.50.02. Closed Sunday dinner, Monday, and mid-November through January. Bouillabaisse 410 francs a person.

Trail... ronese... nce

entrance of the angel on the far left... But what is one to make of the patch under the chair at the right? As it happens, the patch was maintained at one point, and then cut out. It was later removed, and the restorer never did figure out the significance of the blue patch on the gown's robe which, in the version, is cut short at the waist. Once this is understood, it becomes apparent the Virgin was seated in the chair when the angel appeared. In her fright, however, she jumped up and fled to the far right, a movement Varonese eloquently dramatized by the long line of her robe.

AFTER the Académie can head for the church of the simple route along the Zaccaria and the Grudeca Canal, following the narrow streets and canals, ending by San Trovaso and the Rio Ogianis.

San Sebastiano was built in 1576 to honor the saint who, according to the symbolic language of the time, had protected Venice from the fatal arrows of the plague in 50 years earlier. Its dome, begun around 1555, was the ambitious undertaking of Venetian youth and money, and worked on it for 15 years.

The entire inner surface of the dome and the ceiling of the church were decorated by him with frescoes and paintings. Time has worn away much of the original work, but the frescoes can be seen in the same room.

A small chapel on the way to the church of San Barnaba, dedicated to the church of the Carmelites, being restored by the architect Campy. San Barnaba is a 14th-century Gothic church, with a simple facade and a tall, slender tower.

San Barnaba, when it was built, was a church of the Carmelites, being restored by the architect Campy. San Barnaba is a 14th-century Gothic church, with a simple facade and a tall, slender tower.

San Barnaba, when it was built, was a church of the Carmelites, being restored by the architect Campy. San Barnaba is a 14th-century Gothic church, with a simple facade and a tall, slender tower.

San Barnaba, when it was built, was a church of the Carmelites, being restored by the architect Campy. San Barnaba is a 14th-century Gothic church, with a simple facade and a tall, slender tower.

San Barnaba, when it was built, was a church of the Carmelites, being restored by the architect Campy. San Barnaba is a 14th-century Gothic church, with a simple facade and a tall, slender tower.

San Barnaba, when it was built, was a church of the Carmelites, being restored by the architect Campy. San Barnaba is a 14th-century Gothic church, with a simple facade and a tall, slender tower.

San Barnaba, when it was built, was a church of the Carmelites, being restored by the architect Campy. San Barnaba is a 14th-century Gothic church, with a simple facade and a tall, slender tower.



The Vallon des Auffes fishing port in Marseille.

Spa

Continued from page 7

The next mornings passed in a blur of treatments. Sandra had an early class on the far side of campus, making the freshman feeling still more apropos. Some were in the Hotel Pawlik itself, which turned out to include a large clinic as well as many rooms. Others were in the Bath No. 1 (where there was an extraordinarily handsome swimming pool) or in the fine old Baroque Bath No. 2, where the mud packs were slapped on.

Ah, those mud packs. We had envisioned being immersed in hot steamy mud up to our necks, but that is not the way it's done in Frantiskovy Lazne. Instead, you are summoned into a cubicle by a large muscular woman who orders you to strip to the buff. Then she blows a whistle, which is the signal for a large bucket of warm, dark-brown mud to be shoved in through a panel in the wall. The bucket is emptied on a table. The patient lies down in the mud, which is then packed around afflicted points. Next, you are swaddled (there is no other word) in layer after layer of oilcloth and blanket and left to marinate for 15 minutes or so.

For anyone with a tendency to claustrophobia, or even simple morbid imaginings, this period seems to last at least three hours. After my first wrapping, during which my extraction of an arm in a pathetic attempt to reach for self-control drew a sharp reprimand from my wrapper, I learned to stare at the ceiling and attempt to meditate. My oilcloth husk, decorated as it was by sick-making pink and blue nursery animals, was extraordinarily repellent.

When the timer went off and unwrapping began, the sense of relief was enormous. (Can this be a benefit of the treatment?) But relief is brief. Next is a hosing down: still slathered in mud, you cower in a shower stall and are sprayed by the wrapper as she barks incomprehensible commands. It is all thoroughly demeaning. Then you are swathed in a sheet, wrapped up again and made to rest from the ordeal. With luck, at least some emotional equilibrium will return.

The other treatments were less destabilizing. There was swimming therapy, which was pleasant, and some fairly violent massage sessions in which strong blonde women plucked at the spine as if they were playing a harp. But you certainly felt invigorated afterward.

Mornings were busy, afternoons not. We strolled around the lovely Bedrich Smetana park across the street, listening to birds sing their hearts out, watching knowledgeable locals feed songbirds from their hands, counting black-eared squirrels and admiring the occasional rabbits loping through the bushes. And we admired too the spa buildings, scattered through the grounds, all more or less Baroque in style. The gardens were splendid, though a bust of Lenin in the center of a particularly pleasant display added an odd political bias to the scene. There was always a giggling crowd around the



The Glauber Fountain building at Frantiskovy Lazne and, below, a fertility symbol at the spa.

bronze statue of a small child: local folklore says that caressing it will bring on pregnancy.

And of course we took the waters. There are 21 springs in Frantiskovy Lazne and we tried a half dozen or so, without any particular guidance from the folks at the clinic. Never before had we realized that water had so many odd flavors.

FOOD at the Hotel Pawlik was not nearly so varied, but it was good solid fare. No green vegetables to speak of, but then that is standard in Czechoslovakia, where heavy-as-lead dumplings are adored by the multitudes. I was put on Diet No. 8, which looked a lot like what everyone else, including Sandra, was eating, save for a slightly lower dumpling ration. We ate well, save for several surprises when my uneven command of German produced some very strange-looking dishes.

There were, I learned, always lots of Germans in this spa, which is located only a few kilometers from both German borders. In an average year, according to Dr. Jan Konecny, spa director, 36,000 to 38,000 patients come for treatment. Of these, 8,000 are foreigners; 6,000 from East Germany and almost all the rest from the West. Any Frenchmen here at what translates as the French baths? "There are more Americans than Frenchmen," said Dr. Konecny, declining to be more specific.

He said that gynecological problems — for both women and children — were a primary specialty, as were heart and circulatory diseases. Then came motor problems: arthritis, rheumatism and the like. Dr. Konecny emphasized that the spa doctors combined traditional methods — mud and massage and spa water — with modern techniques such as ultrasound, X-rays and the gas injections.

How did we fare? Sandra's knee is slowly coming around, but this could be a result of treatment in Paris as well as in Frantiskovy Lazne. My knees work better, and my back pain is almost gone. But as Dr. Hyplova assured us, a week at a spa really isn't enough. Three weeks is the minimum, said she. So perhaps, in another year, we'll go back.

And yes, we did drive over to Marianske Lazne for an afternoon. It's a lovely town, and there's a handsome golf course — one of two in the country. But we were saddened by the look of the center of town. Much of its undoubted beauty is obscured by reconstruction.

We sipped waters from the Rudolf and Carolina springs, indulged in an ice cream and without regret motored back to the Pawlik for more mudpacks.

Next year, we decided, will be better than last year at Marienbad.



'Paris en Bouteille' Uncorks a Wine Tour

by Frank J. Priol

A MARVELOUS thing about the great explorers, Columbus and all that lot, was not the distances they traveled or even the remarkable places they found — but the fact that they did it all without guidebooks.

Karl Baedeker, at Koblenz and, later, his son Fritz, at Leipzig, institutionalized the travel guide. Their books sold like Pfeffermüsse to a generation of Europeans who were relieved that the Napoleonic wars were over so they could get on the road.

I'm not sure whether old records show that the ancients traveled just for the hell of it, but if they did, someone most certainly sold them travel guides. Rootlessness is endemic to our society. But must there be a pocket guide to it? Apparently, because new ones are turned out almost daily.

For some of them, we should actually give thanks. Take, for example, "Paris en Bouteille" (Paris in a Bottle), which has recently been published in France by Flammarion. If you're a wine lover planning to be in Paris soon, even if you've had it up to here with guides, pick up this little book.

It is a key to everything vinous in Paris. Take note: It's in French. But sentences are short, the words are familiar, and the rating system is simple. Three stars in English is three stars in French.

Michel Smith, the author, has crammed 326 pages and an enormous amount of information into this pocket-size volume. Some of it, such as the best wine shops and wine warehouses, is of marginal value to a visitor. But just about everything else is as valuable to a visitor as to a Parisian: all the good wine bars, the best wine lists in bistros as well as at elegant restaurants, the best sommeliers, good shops for wine artifacts and the best bookshops for wine lore.

If you are an old Paris hand and you have a little wine bar somewhere that you have been keeping secret, forget it; Smith has smoked them all out. Well, not quite all, but just about. Some of my favorites: Jacques Mâché, out near the Place de la Nation; Au Duc de Richelieu, a newspaper hangout in the rue Richelieu; Le Rubis, hidden behind the Place Vendôme; Ma Bourgogne, in the Boulevard Haussmann; Aux Négociants, in the rue Lambert, up behind Sacré-Coeur on Montmartre; Au Franc Finot, just over the Pont Marie bridge on the Quai de Bourbon, and, for lovers of the Left Bank, Le Petit Bacchus, in the rue du Cherche-Midi.

And when you come right down to it, there are a couple of wine shops worth seeing: Jean-Claude Vrinat's elegant Caves Taillevent, in the rue Faubourg-Saint-Honoré, just around the corner from his famed restaurant, for instance, and Legrand Filles et Fils, in the rue de la Banque, just around the

corner from the Place des Victoires. Presided over by one of the kindest, most patient of wine merchants, Lucien Legrand, this is more of a club than a shop, not that business isn't brisk. Legrand will happily sell four cases of Pétrus, but he loves to discover — and talk about — unknown little wines that Parisians who work for a living can afford.

"Paris en Bouteille" is a restaurant guide of sorts, but it concentrates on the wines. Thus, commenting on Lucas Carton, for example, the guide notes that the restaurant's cellar can provide a 1945 Pétrus for 19,000 francs (about \$3,000) or a modest bottle from Chile for 80 francs. There are 1,100 wines listed on the wine card and 40,000 bottles in the cellar. "Paris en Bouteille" says, and goes on to recommend, for groups of at least six, a variety of menus composed by Alain Senderens that pair his imaginative dishes with the appropriate wines. At least one such menu comes to almost \$250 a person.

WITH each listing, be it a wine bar or a grand luxe restaurant, Smith's guide lists some of the best wines along with one or two of his favorites. For Willi's Wine Bar, in the rue des Petits-Champs, he mentions a Boitel Champagne as an aperitif, a Coteaux-d'Aix-en-Provence 1983 as a reasonably priced red with some character, a Crozes-Hermitage 1985, Domaine des Entrefaux as a particularly pleasing bottle and a 1979 St-Emilion, Château Belair, as a top growth at a decent price.

His own choices are a 1986 Bergerac, Château La Jaubertie, for a white, and a Côte-du-Rhône 1985, Domaine du Vieux Chêne, for a red.

There are lots of wine courses listed, including those at Steven Spurrier's L'Académie du Vin in the Cité Beryère. The Académie offers a wide variety of courses for beginners and experts, including some introductory sessions of a couple of hours that could add interest to any Paris sojourn.

Inexplicably missing from an otherwise excellent guide is the Hôtel Ritz, with its vast cellar and superb sommelier, Georges Leprieux, who, as a sort of youthful indiscretion, briefly held a similar post at a restaurant in Pasadena, California. Also, at one point, "Paris en Bouteille" knights Michael Broadbent, the head wine man at Christie's in London. And why not? Better an internationally known wine man than some jowly industrialist who smacks his lips over Cyprus sherry.

"Paris en Bouteille" costs 110 francs in Paris, which is a bit much for a small guide. If you're in France, though, you will soon grow accustomed to prices that are a bit much.

© 1988 The New York Times

Advertisement for Biman Bangladesh Airlines. The main headline reads: "Fly Biman Bangladesh Airlines to 24 Destinations in 3 Continents." Below the headline is a map showing flight routes from Dhaka to various cities including London, Paris, Rome, Athens, Kuwait, Bahrain, Dhahran, Abu Dhabi, Jeddah, Tripoli, Muscat, Bombay, Calcutta, Rangoon, Bangkok, Kuala Lumpur, and Singapore. The Biman Bangladesh Airlines logo is at the bottom right, with the slogan "Your home in the air."



Thursday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Table of NYSE stock prices including columns for High, Low, Open, High, Low, Close, Change.

Table of NYSE Highs-Lows listing various stocks and their price ranges.

Table of AMEX Highs-Lows listing stocks traded on the American Stock Exchange.

Table of U.S. Futures prices for various commodities like Wheat, Corn, Soybeans, etc.

Table of U.S. Futures prices for Metals like Copper, Aluminum, Zinc, etc.

Table of U.S. Futures prices for Livestock like Cattle, Hogs, etc.

Table of U.S. Futures prices for Grains like Wheat, Corn, Soybeans, etc.

Table of U.S. Futures prices for Metals like Copper, Aluminum, Zinc, etc.

Table of U.S. Futures prices for Livestock like Cattle, Hogs, etc.

Table of U.S. Futures prices for various commodities like Wheat, Corn, Soybeans, etc.

Table of U.S. Futures prices for Metals like Copper, Aluminum, Zinc, etc.

Table of U.S. Futures prices for Livestock like Cattle, Hogs, etc.

Table of U.S. Futures prices for various commodities like Wheat, Corn, Soybeans, etc.

Table of U.S. Futures prices for Metals like Copper, Aluminum, Zinc, etc.

Table of U.S. Futures prices for Livestock like Cattle, Hogs, etc.

Table of U.S. Futures prices for various commodities like Wheat, Corn, Soybeans, etc.

Table of U.S. Futures prices for Metals like Copper, Aluminum, Zinc, etc.

Table of U.S. Futures prices for Livestock like Cattle, Hogs, etc.

Section titled 'U.S. Futures' with sub-section 'Via The Associated Press'.

Section titled 'U.S. Futures' with sub-section 'Via The Associated Press'.

Section titled 'U.S. Futures' with sub-section 'Via The Associated Press'.

Table of Company Results showing revenue and profits for various firms.

Table of Company Results showing revenue and profits for various firms.

Table of Company Results showing revenue and profits for various firms.

Table of Company Results showing revenue and profits for various firms.

Table of Company Results showing revenue and profits for various firms.

Table of Company Results showing revenue and profits for various firms.

Table of Company Results showing revenue and profits for various firms.

Advertisement for FUJIBAL featuring a large image and text.

Advertisement for U.S. Firms Overseas Experience featuring text and a logo.

Advertisement for Currency featuring text and a logo.

Advertisement for Stock Indexes featuring text and a logo.

Advertisement for Commodity Indexes featuring text and a logo.

Advertisement for London Commodities featuring text and a logo.

Advertisement for London Metals featuring text and a logo.

Advertisement for DM Futures Options featuring text and a logo.

Advertisement for Cocoa Glut Boosts Price Of Futures featuring text and a logo.

Advertisement for S&P 100 Index Options featuring text and a logo.

Advertisement for Macmillan's Plan To Split Rejected featuring text and a logo.

Advertisement for Spot Commodities featuring text and a logo.

Advertisement for Treasury Bonds featuring text and a logo.

Advertisement for Dividends featuring text and a logo.

Advertisement for Interest featuring text and a logo.

Advertisement for Currency Deposits featuring text and a logo.

Advertisement for Money Rates featuring text and a logo.



With Branch Offices from Hong Kong, Singapore, New York and Chicago...

FUJI BANK

FRIDAY, JULY 15, 1988

BUSINESS/FINANCE

to London, Düsseldorf, Paris and Brussels.

FUJI BANK

INTERNATIONAL MANAGER

More U.S. Firms Insisting On Overseas Experience

By CLAUDIA H. DEUTSCH

NEW YORK — Richard W. Siebrasse, president of CPC International Inc.'s worldwide consumer foods division, has never worked outside the United States.

"I intend to make international experience for our American managers a key issue," said Mr. Siebrasse, who was named head of the new CPC division in January.

These days, there's not a discussion of a decision that doesn't have an international dimension," he said. Slowly but surely, hands-on international experience is moving out of the "nice but not necessary" category and into the "must have" slot for those on the corporate fast track.

BOOK KNOWLEDGE cannot replace experience, other management experts said. "You are not really an internationalist unless you've lived as a minority in another environment," said William Voris, president of the American Graduate School of International Management, in Glendale, Arizona.

"Decision making is slower overseas, the nuance of dealing with governments is different," said Carl W. Menk, president of Casny Bowen, a recruiting firm that has seen requests for executives with international experience triple in the last three years.

What overseas experience provides generally, said human resource professionals, is the ability to recognize that things work differently elsewhere. John Borgia, director of human resources for Bristol-Myers Co., said, "You gain a certain appreciation that there are other ways to do things than the American way, that other economies play a part in the world, that the sun does not rise and set in New York City."

"It is not just language and culture; these people develop a broader set of problem-solving skills," said John R. Fulkerson, director of human resources for Pepsi-Cola International, a PepsiCo division that handles the sale of beverages outside the United States.

What overseas experience provides generally, said human resource professionals, is the ability to recognize that things work differently elsewhere. John Borgia, director of human resources for Bristol-Myers Co., said, "You gain a certain appreciation that there are other ways to do things than the American way, that other economies play a part in the world, that the sun does not rise and set in New York City."

"It is not just language and culture; these people develop a broader set of problem-solving skills," said John R. Fulkerson, director of human resources for Pepsi-Cola International, a PepsiCo division that handles the sale of beverages outside the United States.

What overseas experience provides generally, said human resource professionals, is the ability to recognize that things work differently elsewhere. John Borgia, director of human resources for Bristol-Myers Co., said, "You gain a certain appreciation that there are other ways to do things than the American way, that other economies play a part in the world, that the sun does not rise and set in New York City."

"It is not just language and culture; these people develop a broader set of problem-solving skills," said John R. Fulkerson, director of human resources for Pepsi-Cola International, a PepsiCo division that handles the sale of beverages outside the United States.

What overseas experience provides generally, said human resource professionals, is the ability to recognize that things work differently elsewhere. John Borgia, director of human resources for Bristol-Myers Co., said, "You gain a certain appreciation that there are other ways to do things than the American way, that other economies play a part in the world, that the sun does not rise and set in New York City."

"It is not just language and culture; these people develop a broader set of problem-solving skills," said John R. Fulkerson, director of human resources for Pepsi-Cola International, a PepsiCo division that handles the sale of beverages outside the United States.

What overseas experience provides generally, said human resource professionals, is the ability to recognize that things work differently elsewhere. John Borgia, director of human resources for Bristol-Myers Co., said, "You gain a certain appreciation that there are other ways to do things than the American way, that other economies play a part in the world, that the sun does not rise and set in New York City."

"It is not just language and culture; these people develop a broader set of problem-solving skills," said John R. Fulkerson, director of human resources for Pepsi-Cola International, a PepsiCo division that handles the sale of beverages outside the United States.

What overseas experience provides generally, said human resource professionals, is the ability to recognize that things work differently elsewhere. John Borgia, director of human resources for Bristol-Myers Co., said, "You gain a certain appreciation that there are other ways to do things than the American way, that other economies play a part in the world, that the sun does not rise and set in New York City."

"It is not just language and culture; these people develop a broader set of problem-solving skills," said John R. Fulkerson, director of human resources for Pepsi-Cola International, a PepsiCo division that handles the sale of beverages outside the United States.

U.S. Sales Up 0.5% For June

Report May Ease Inflation Fears

WASHINGTON — U.S. retail sales, boosted by strong auto purchases and hot-weather-related buying at department stores, rose a moderate 0.5 percent in June, the government said Thursday.

The Commerce Department said sales rose \$713 million last month to a seasonally adjusted, but not inflation-adjusted, \$123.8 billion. Economists had been expecting a gain of about 0.8 percent. However, the government revised its original figure for May to a 0.3 percent increase, up from 0.1 percent.

The moderate June increase may ease fears in financial markets that an overly strong economy poses the danger of inflation. Automotive sales in June were up 1.2 percent to \$29.7 billion, a strong increase after declines in both April and May.

Sales at department and other general merchandise stores were up 1.87 percent to \$15.2 billion, the strongest gain since August, when the rise was 1.94 percent. Last week, major department stores had reported strong sales of air conditioners, summer clothes, barbecue equipment and sporting goods.

Sales of durable goods, those expected to last at least three years, were up 0.5 percent, with the gain in autos being partially offset by a 1.0 percent decline at building supply and hardware stores and a 0.5 percent drop at furniture stores.

Sales of nondurable goods were up 0.6 percent. There were gains of 1.6 percent at specialty clothing stores, 0.4 percent at restaurants and bars and 0.3 percent at gasoline stations.

Food and grocery store sales were down 0.4 percent. Drug store sales fell 0.5 percent. For the first six months of the year, overall sales were up 6.4 percent from the first half of 1987. However, excluding autos, first-half sales were up only 4.6 percent, barely ahead of the 4.4 percent rate for January through May.

Coleco Makes Waves in Hong Kong

Petition Adds To Pressures In Toy Industry

HONG KONG — Hong Kong's toy makers face big losses after Coleco Industries Inc.'s decision to file a petition for protection from creditors under Chapter 11 of the U.S. bankruptcy code.

The blow follows a Chapter 11 filing in December by another major U.S. toy concern, Worlds of Wonder Inc., which owed various toy makers here more than 400 million Hong Kong dollars (\$50 million). In February, the Hong Kong subsidiary of Worlds of Wonder went into liquidation because of claims by creditors.

Coleco owes more than \$100 million to domestic and foreign lenders. An industry spokesman said Kader Industrial Co. was Coleco's largest creditor in Hong Kong with contracts worth 36.3 million Hong Kong dollars outstanding. Kader would not comment on how much it was owed by the company.

Kader and Applied Electronics Ltd., which is owed 27.5 million dollars by Coleco, also were creditors of Worlds of Wonder. Wah Shing Toys Consolidated, another local toy maker, said Coleco owed it 9.36 million dollars.

"We have been discounting against losses from Coleco contracts since the beginning of the year," a Wah Shing spokesman said. Coleco, based in West Hartford, Connecticut, soared to the top of the toy industry after the introduction in 1983 of the enormously popular Cabbage Patch Kids dolls. In 1985, the company had its strongest financial condition ever, with record earnings of \$64 million and sales of \$776 million.

But as the Coleco expanded, the Cabbage Patch had abated. Analysts said the company did not trim costs soon enough. When the toy industry fell into a slump in 1987, Coleco was hard hit.

The bankruptcy filing had been expected after the company was unable to persuade its bondholders to approve a \$335 million restructuring. Coleco had losses of \$215 million over the past two years.

A local industry spokesman said many of Coleco's problems had been caused by a decline in demand for high-technology toys. "Clearly there has been some poor management as evidenced by two years of losses and by the fact that after the restructuring the former senior management is not there any more," a spokesman for Coleco (Far East) said.

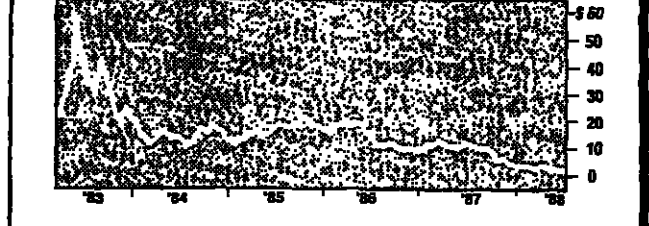
The toy industry worldwide is facing a difficult period after a number of fat years, in which winking teddy bears and electronic parrots were all the rage. "In the current economic climate when people's spending power has been eroded, demand is turning back to cheap Barbie and Cindy dolls," a toy industry source said.



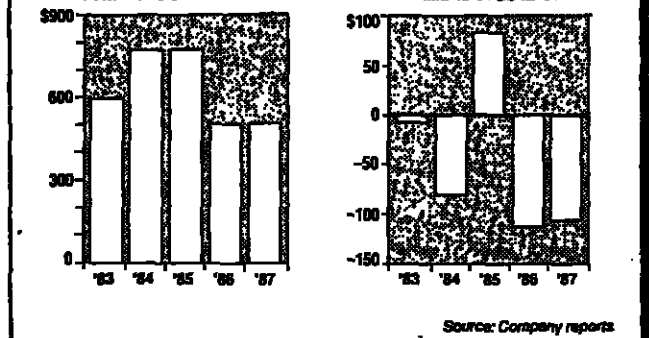
Coleco's Cabbage Patch Kids, which led to overexpansion.

Coleco Industries designs, manufactures and markets a wide variety of toys, games and entertainment products including Cabbage Patch Kids, All Toys, and the Scrabble and Trivial Pursuit games.

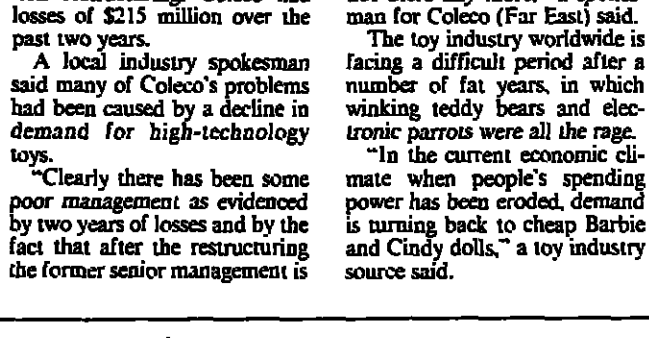
Falling Stock Price



Revenue



Net Income



Source: Company reports

U.S. Banks Lift Prime to 9.5%, 2d Rise in '88

NEW YORK — U.S. banks raised their prime lending rates Thursday to the highest level in more than two years, a half-percentage point rise to 9.5 percent that signaled more expensive loans for consumers and businesses.

It was the second boost in the key lending rate this year and reflected the banks' own costs of borrowing money, which has been rising steadily over the past few months.

Chase Manhattan Bank in New York was the first to announce the rate increase and was quickly followed by other big banks, including Citibank, First National Bank of Chicago, Bank of New York and Manufacturers Hanover.

The last increase in the prime was on May 11, from 8.5 percent to 9 percent. The increase Thursday put the prime at the highest point since March 1986.

The action came one day after the chairman of the Federal Reserve Board, Alan Greenspan, delivered his mid-year report on Fed monetary policy to Congress, saying the central bank stood ready to boost interest rates if the pace of economic growth did not slow in coming months.

Some analysts said they believed the banks made their moves because they interpreted Mr. Greenspan's congressional testimony as an indication that the Fed had no intention of increasing its bellwether discount rate.

David Wyss, an economist with Data Resources Inc., said that the banks had hoped to use a hike in the Fed's discount rate, the interest the central bank charges to make loans to member banks, as an excuse for raising the prime rate. "The spread between the prime rate and banks' cost of funds had narrowed enough that banks felt they needed a bigger return," Mr. Wyss said.

But Mr. Wyss and other economists said they believed the jump in the prime may be the last until the November election. Mr. Greenspan issued stern warnings on Wednesday about rising inflationary threats in the economy, singling out as particularly worrisome the tight labor market, rising import prices and the drought's effect on grain prices.

He said the central bank had already made a series of credit-tightening moves "from late March through late June" in an effort to keep inflation in check. There had been widespread expectations that the Fed would soon move to nudge interest rates higher, especially since the unemployment rate fell to a 14-year low of 5.3 percent in June.

Beginning in late March, the Fed initiated a series of credit-tightening moves by reducing the amount of money banks have to make loans. Those efforts have pushed the federal funds rate, which banks charge each other for overnight loans, up by about one percentage point. The rate was about 7 13/16 percent Thursday afternoon.

That in turn triggered an increase in the prime lending rate to 9 percent in May and sent mortgage rates, which had dropped below 10 percent, up to a current level of 10.38 percent.

David Jones, an economist with Aubrey G. Lanston & Co., a New York securities dealer, said he believed rates would hold steady at these levels in coming months. "Greenspan feels he has taken the appropriate tightening steps and that will be enough to cool off demand growth in the second half of the year," Mr. Jones said.

Michael Evans, head of a Washington consulting firm, said: "Greenspan believes the economy will not be that strong in the second half and that you shouldn't tighten credit conditions with an economy slowing considerably." Mr. Evans predicted that the Fed would "keep its head low during the election campaign" and would avoid its strongest tightening move, a boost in the discount rate it charges on money it loans to member banks.

Many analysts said they believed Mr. Greenspan, and the other members of the Fed's board of governors, all appointed by President Ronald Reagan, would try to keep the economy on an even keel in an effort to promote Vice President George Bush's presidential chances.

U.K. Jobless Rate Falls; Industrial Output Rises

LONDON — The British unemployment rate fell to a seasonally adjusted 8.4 percent in June from 8.6 percent in the previous month, while industrial production rose 0.6 percent in May, the government said Thursday.

But concern that the British economy, now in the sixth consecutive year of growth, was seriously overheating were partly allayed on Thursday by other figures, which showed May's average earnings rose by a lower than expected seasonally adjusted annual rate of 8.5 percent, unchanged from April.

In addition, the Department of Employment said half the unemployment decline in June was the result of a new definition of employment. People employed by government training programs now are being counted as having jobs.

The new practice brought Britain more in line with other European countries' methods of defining employment. It added 334,000 people to the work force. Total seasonally adjusted British unemployment came to 2.38 million people in June, down from a revised 2.41 million people in May and 2.92 million people in June 1987, when the jobless rate was 10.4 percent, the department said.

Meanwhile, May industrial production was up 3.8 percent from a year earlier, according to the Central Statistical Office. The latest figures compared with April's revised 1 percent month-to-month rise and 4 percent year-to-year rise.

For the average earnings indicator, considered a good guide to inflationary pressures, most analysts had expected an increase of about 8.75 percent. Some had even anticipated 9 percent, a level that would have increased pressures for another rise in British interest rates at a time when high domestic consumption is producing a worsening in the current-account balance.

Employment Secretary Norman Fowler said last month that an 8.75 percent annual rate of wage increases would lead manufacturers to limit hiring. Even at 8.5 percent, the rate is far above the 4.2 percent annual inflation rate in May. In its fight against the threat of renewed inflation, the government has pushed up the cost of borrowing by half a percentage point five times since the end of May — the last on July 4 — and base interest rates now stand at 10 percent, a level last seen just before the October stock market collapse.

Speaking to the rest of the British cabinet on Thursday, Nigel Lawson, chancellor of the Exchequer, took up the theme of the threat of renewed inflation implicit in Britain's economic boom. He warned that government spending would have to be kept under control so as not to fuel inflation by injecting too much money into the economy.

In an annual discussion on expenditure, the cabinet decided to keep spending as close as possible to the £167 billion (\$282.4 billion) target set for next year. Soaring house prices, a widening balance of payments deficit, high pay increases and the size of consumer debt have indicated that inflation levels are set to rise. Retail price figures to be announced Friday are expected to show a rise in inflation to 4.5 percent from 4.2 percent. (AP, Reuters, AFP)

See OVERSEAS, Page 13

Currency Rates

Table with columns for Currency, Par \$, and various rates for July 14. Includes entries for Amsterdam, Brussels, Frankfurt, London, etc.

Other Dollar Values

Table with columns for Currency, Par \$, and various rates. Includes entries for Argentina, Austral, Austr. dollar, etc.

Forward Rates

Table with columns for Currency, 30-day, 60-day, 90-day, and 180-day rates. Includes entries for Swiss franc, Deutsche mark, etc.

Interest Rates

Table with columns for Rate, 1 month, 3 months, 6 months, 1 year, and various rates. Includes entries for Eurocurrency deposits, etc.

Key Money Rates July 14

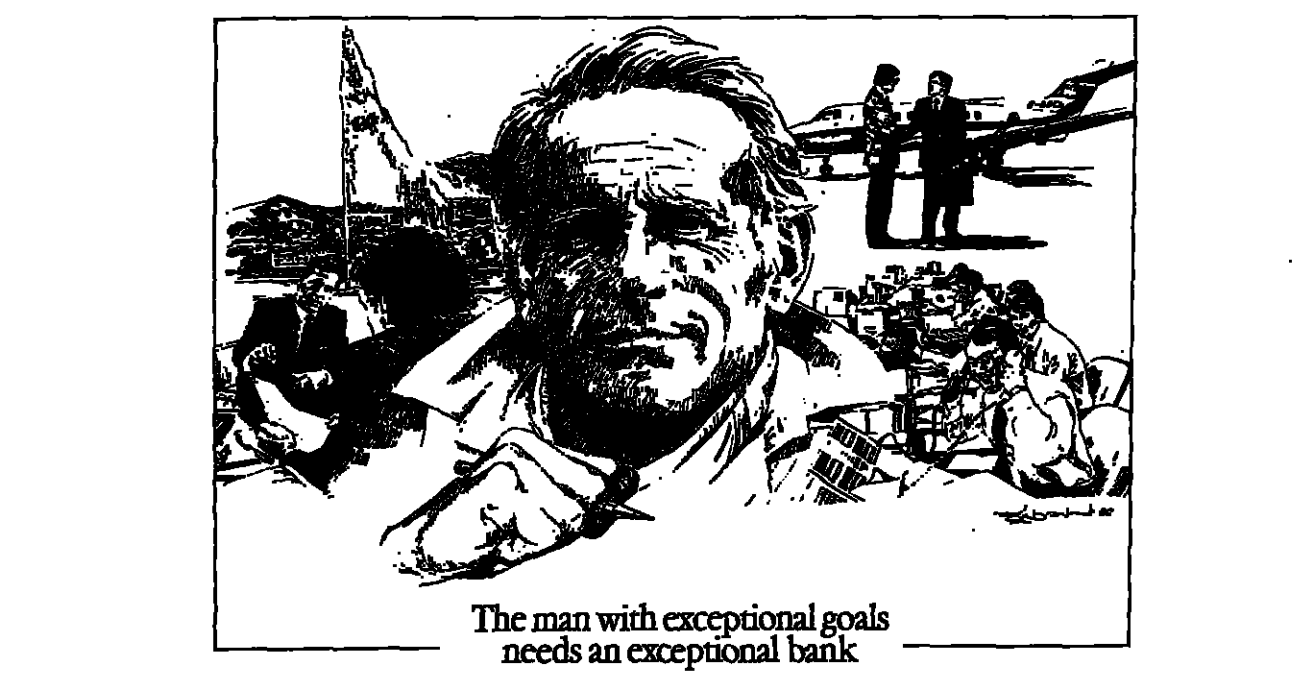
Table with columns for Rate, 1 month, 3 months, 6 months, 1 year, and various rates. Includes entries for United States, Discount rate, etc.

U.S. Money Market Funds

Table with columns for Fund Name, 30-day, 60-day, 90-day, and 180-day rates. Includes entries for Merrill Lynch Ready Assets, etc.

Gold

Table with columns for Location, A.M., P.M., and Ounce. Includes entries for Hong Kong, London, Paris, etc.



The man with exceptional goals needs an exceptional bank

WHAT MAKES TDB EXCEPTIONAL? ABOVE ALL, OUR PERSONAL SERVICE

Personal service is more than just a tradition at TDB — it's one of the basic reasons for our success over the years. And it makes an important difference to our clients, in a number of ways.

In fast decisions, for example. At TDB you don't have to waste time going through endless "channels." The executive you talk to makes certain that your requirements are brought directly to the people who decide. We make it a point to avoid red tape and bottlenecks.

We assign an experienced bank officer to your account and he is personally responsible for seeing that things get done on your behalf. So your instructions are carried out promptly, intelligently and to the letter.

Moreover, as part of American Express Bank Ltd., with its 103 offices in 42 countries, we serve your individual needs virtually anywhere in the world. Through this global link, we also provide access to the broad choice of investment opportunities offered by the American Express family of companies. In addition, for certain clients, we also provide the prestigious American Express Bank Gold Card® and our exclusive Platinum Card® services, for round-the-clock personal and travel assistance.

Whatever your requirements you'll find that TDB has something a bit special to offer. Visit us on your next trip to Switzerland, or telephone: in Geneva, 022/27 21 11; in Zurich, 01/201 15 19; in Lugano, 091/20 28 82; in Chiasso, 091/41 22 22.

TRADE DEVELOPMENT BANK

An American Express company

The Trade Development Bank head office in Geneva, at 96-98, rue de Rhône.





INTERNATIONAL REAL ESTATE MARKETPLACE

<p><b>REAL ESTATE INVESTMENTS</b></p> <p>ALL KINDS OF REAL ESTATE. E. Ireland, South East, Please write to Collier 22, 27/4, Publications, 1027 Loos, Brussels, Switzerland.</p> <p><b>REAL ESTATE SERVICES</b></p> <p><b>INTERNATIONAL RELOCATION</b></p> <p>Expand your real estate markets through relocation. Brokers, Sellers or Auctioneers for our worldwide relocations. Free relocation information. Write: INTERNATIONAL RELOCATION, 1701 Avenue of the Stars, Suite 1774, Los Angeles, CA 90057 USA.</p> <p><b>REAL ESTATE FOR SALE</b></p> <p><b>AUSTRIA</b></p> <p>AUSTRIA - EXCEPTIONALLY attractive 1500 sq. m. estate, 3 km. from Innsbruck, 3000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>BAHAMAS</b></p> <p>350 HA PRIVATE ISLAND ESTATE, 150 miles to Miami, approx. 1 hour 10 min. to Nassau, 1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>FRENCH PROVINCES</b></p> <p><b>COTE D'AZUR, CAP D'AIL</b></p> <p>1 km from MONTE CARLO. 5 bedrooms, 3 bathrooms, 10,000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>CANNES CALIFORNIE</b></p> <p>Luxurious 262 sq. m. apartment with large terrace, 80 sq. m. garden, 3 bedrooms, 3 bathrooms, 10,000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>CONDOMINIUM IMMEDIATE</b></p> <p>1100 sq. m. apartment, 3 bedrooms, 3 bathrooms, 10,000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>CANNES-MOUGINS, COTE D'AZUR</b></p> <p>Hollywood style villa of 400 sq. m., built on 7 acres of land. Magnificent panoramic view, huge reception area, 7 bedrooms, 5 bathrooms, swimming pool with waterfall, advanced ozone water filtration. Automatic irrigation of garden, garage, etc. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>TO MRS. ALEX IN PROVENCE, COTE D'AZUR</b></p> <p>18th century villa, 1000 sq. m., 7 bedrooms, 5 bathrooms, swimming pool with waterfall, advanced ozone water filtration. Automatic irrigation of garden, garage, etc. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>NICE RESIDENTIAL</b></p> <p>Urgent: Owner selling 4 rooms, on single + terrace + 2nd garage. Cash, very attractive, swimming pool, videophone, security, etc. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>EXCLUSIVITY, SUPER CANNES, COTE D'AZUR</b></p> <p>Urgent: Owner selling 4 rooms, on single + terrace + 2nd garage. Cash, very attractive, swimming pool, videophone, security, etc. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>HALF AN HOUR FROM CANNES, COTE D'AZUR</b></p> <p>Urgent: Owner selling 4 rooms, on single + terrace + 2nd garage. Cash, very attractive, swimming pool, videophone, security, etc. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>1 HOUR FROM TUNIS, COTE D'AZUR</b></p> <p>Urgent: Owner selling 4 rooms, on single + terrace + 2nd garage. Cash, very attractive, swimming pool, videophone, security, etc. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p>	<p><b>REAL ESTATE FOR SALE</b></p> <p><b>FRENCH PROVINCES</b></p> <p><b>COTE D'AZUR - FRENCH RIVIERA</b></p> <p>OWNERS OFFER: Full property management services. Documentation sent on request. BELMO 01 9371 1347, 7 Bd de la Plage, 06800 Cannes s/Mer, France.</p> <p><b>COTE D'AZUR</b></p> <p>Luxuriously furnished 2-room apartment, bathroom, kitchen, terrace, ocean, beach, swimming pool, Marina Bay des Anges, 10 min. Nice Airport. 1950,000. Tel: 01 4734 3744.</p> <p><b>FRENCH RIVIERA, magnificent apartment</b></p> <p>great living space, 3 rooms, 2 bedrooms, 2 bathrooms, 2 balconies, terrace, pool, pool, tennis, 23,000.000. Tel: 01 4734 3744.</p> <p><b>PROVENCE-LIBERON NATIONAL PARK</b></p> <p>in one of the 21st century beautiful villages of France. 4-story house, 2 bedrooms, 2 bathrooms, 2 balconies, terrace, pool, pool, tennis, 23,000.000. Tel: 01 4734 3744.</p> <p><b>FRENCH RIVIERA, splendid 1-bed room house</b></p> <p>in one of the 21st century beautiful villages of France. 4-story house, 2 bedrooms, 2 bathrooms, 2 balconies, terrace, pool, pool, tennis, 23,000.000. Tel: 01 4734 3744.</p> <p><b>BOULGOGNE (Sud)</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>CANNES, Residence Grand Hotel</b></p> <p>14 rooms, 70 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>GERMANY</b></p> <p><b>ST. GAAR AM RHEIN</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>GREAT BRITAIN</b></p> <p><b>KINGSTON, Surrey</b></p> <p>18th century, 4 bedrooms, 3 bathrooms, 10,000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>COTE D'AZUR</b></p> <p>15 km from sea in picturesque Provencal village, 1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>MAGNIFICENT FAMILY HOUSE</b></p> <p>rehabilitated in heart of Cannes. 1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>RIND CONTEMPORARY EAST</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>NEW CONTEMPORARY EAST</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>PARIS &amp; SUBURBS</b></p> <p><b>GEORGE V, 1 BEDROOM FLAT, 50 sq. m.</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>SWITZERLAND</b></p> <p><b>LAKE OF LUZERN</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>APARTMENT, BASE AREA</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p>	<p><b>REAL ESTATE FOR SALE</b></p> <p><b>ITALY</b></p> <p><b>TUSCANY, CENTER OF CORTONA</b></p> <p>15th century antique Palazzo. Top floor 4-room apartment plus bath. Ground floor 4-room apartment plus bath. Loggia overlooking city. Panoramic view of Lake Trasimeno. US\$220,000. Splendid villa 6 km from Cortona, 4 bedrooms, 4 baths, living rooms, kitchen, separate building, large park. 27,000 sq. m. land. 1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>'AS FILMED BY LISTEY'S</b></p> <p>of the film 'The Italian Job'. A magnificent historic villa in Italy. Investment Property 120 acres, vineyard, olive grove, 2000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>TUSCANY, MONTICATE AREA</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>LAGO MARGIORE, Verbania</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>LAKE GARDA (SIRMIONE)</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>MONACO</b></p> <p><b>MONTE CARLO</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>INTERMEDIA</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>PRINCIPALITY OF MONACO</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>NEW YORK CITY - USA</b></p> <p><b>MANHATTAN-TRIBECA</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>Luxury Condos</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>MINUTES TO WASHINGTON DC</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>Madison Ave 1 Bedroom</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>GREENWICH, CT - USA</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>PALM BEACH POLO</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>NYC EXECUTIVE PENTHOUSE</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p>	<p><b>REAL ESTATE FOR SALE</b></p> <p><b>USA RESIDENTIAL</b></p> <p><b>NEW YORK CITY - EXCLUSIVE</b></p> <p>East 60's. Exclusive Manhattan. Very special prime townhouse with very special French and English details. Crystal staircase, living room and library. 4 bedrooms, formal dining room with adjoining kitchen. Call for brochure. MR. JORDAN 212-415-0544. L.B. KAYE ASSOCIATES</p> <p><b>WASHINGTON, D.C.</b></p> <p>Adjoining new luxury townhouse in downtown area. Total 8 bedrooms, 8 baths, 8 parking. Buy or lease. Contact: 202-462-2388</p> <p><b>GRACIOUS MID - MANHATTAN</b></p> <p>Large one bedroom apartment in midtown commercial district. Walking distance to the UN. Very close to Grand Central Station. Free parking. Excellent value. PARK LANE ESTATES London 429 0743</p> <p><b>MAYFAIR</b></p> <p>2 BEDS 6000 PER WEEK. Various luxury flats, excellent designed, built, fully furnished, TV, central heating, excellent value. PARK LANE ESTATES London 429 0743</p> <p><b>CENTRAL LONDON</b></p> <p>Executive service apartments in new buildings, comfortable, furnished and fully equipped. Daily maid service. Through flight. Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>LUXURY EXECUTIVE APARTMENTS</b></p> <p>Health club, swimming pool, 22 days per week. Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>LONDON FLATS AND HOUSES TO AMERICAN STANDARDS</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>KINGSLAND FLAT, PRIVATE</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>HORNER HILL / MATS rental properties</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>STRAIGHT UPON AVON</b></p> <p>Water-side period cottage, close to the river. Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>LUXURY FURNISHED FLAT, Kensington</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p>	<p><b>REAL ESTATE FOR SALE</b></p> <p><b>USA RESIDENTIAL</b></p> <p><b>WASHINGTON, D.C.</b></p> <p>Adjoining new luxury townhouse in downtown area. Total 8 bedrooms, 8 baths, 8 parking. Buy or lease. Contact: 202-462-2388</p> <p><b>GRACIOUS MID - MANHATTAN</b></p> <p>Large one bedroom apartment in midtown commercial district. Walking distance to the UN. Very close to Grand Central Station. Free parking. Excellent value. PARK LANE ESTATES London 429 0743</p> <p><b>MAYFAIR</b></p> <p>2 BEDS 6000 PER WEEK. Various luxury flats, excellent designed, built, fully furnished, TV, central heating, excellent value. PARK LANE ESTATES London 429 0743</p> <p><b>CENTRAL LONDON</b></p> <p>Executive service apartments in new buildings, comfortable, furnished and fully equipped. Daily maid service. Through flight. Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>LUXURY EXECUTIVE APARTMENTS</b></p> <p>Health club, swimming pool, 22 days per week. Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>LONDON FLATS AND HOUSES TO AMERICAN STANDARDS</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>KINGSLAND FLAT, PRIVATE</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>HORNER HILL / MATS rental properties</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>STRAIGHT UPON AVON</b></p> <p>Water-side period cottage, close to the river. Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>LUXURY FURNISHED FLAT, Kensington</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p>	<p><b>REAL ESTATE TO RENT/SHARE</b></p> <p><b>FRENCH PROVINCES</b></p> <p><b>VILLAS WITH POOLS AT BARBARIS</b></p> <p>Prices still available for July/August. In Dardennes, France. Call: 01 4734 3744</p> <p><b>GREAT BRITAIN</b></p> <p><b>MAYFAIR</b></p> <p>2 BEDS 6000 PER WEEK. Various luxury flats, excellent designed, built, fully furnished, TV, central heating, excellent value. PARK LANE ESTATES London 429 0743</p> <p><b>CENTRAL LONDON</b></p> <p>Executive service apartments in new buildings, comfortable, furnished and fully equipped. Daily maid service. Through flight. Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>LUXURY EXECUTIVE APARTMENTS</b></p> <p>Health club, swimming pool, 22 days per week. Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>LONDON FLATS AND HOUSES TO AMERICAN STANDARDS</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>KINGSLAND FLAT, PRIVATE</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>HORNER HILL / MATS rental properties</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>STRAIGHT UPON AVON</b></p> <p>Water-side period cottage, close to the river. Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>LUXURY FURNISHED FLAT, Kensington</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p>	<p><b>REAL ESTATE TO RENT/SHARE</b></p> <p><b>GREAT BRITAIN</b></p> <p><b>HUNTINGDON HOUSE</b></p> <p>Luxurious period apartment in Central London. Tel: 01 373 4525. Tel: 2253.</p> <p><b>SPACIOUS FAMILY HOME</b></p> <p>3 beds, 3 bathrooms. Prime location SW1. London. Prime location SW1.</p> <p><b>LONDON LUXURY</b></p> <p>apartments in all central areas. Minimum stay 3 nights. NP Estates 01 497 2154 anytime</p> <p><b>LONDON LUXURY</b></p> <p>apartments in all central areas. Minimum stay 3 nights. NP Estates 01 497 2154 anytime</p> <p><b>HOLLAND</b></p> <p><b>DUTCH HOUSING CENTRE B.V.</b></p> <p>174 1075 GJ Amsterdam Tel: 31 20 664 144 Fax: 664 5554</p> <p><b>ITALY</b></p> <p><b>TUSCANY - BED AND BREAKFAST</b></p> <p>Lovely hilltop country home between Siena/Pisa. Nancy 0976-26763</p> <p><b>PARIS AREA FURNISHED</b></p> <p><b>FAISANDERIE</b></p> <p>Charming duplex house, private garden. F18000. 45 03 68 38.</p> <p><b>BOULOGNE 92</b></p> <p>3 bedrooms, 2 bathrooms, 10,000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>PARIS MONTMARTRE</b></p> <p>to let 2 rooms + kitchen + laundry bathroom in all central areas. Minimum stay 3 nights. NP Estates 01 497 2154 anytime</p> <p><b>CLAUDE BERNARD</b></p> <p>50 sq. m. 2 rooms + large kitchen, bathroom, hall, etc. F15000. Tel: 43 31 38 24.</p> <p><b>16th, STUDENT, August holiday in Paris</b></p> <p>Do you need a room? 7 bedrooms, 3 full bathrooms, 2000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>PARIS AREA UNFURNISHED</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>ST NOM LA BRETICHE</b></p> <p>2000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>SPAIN</b></p> <p><b>MADRID</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>TURKEY</b></p> <p><b>KING REALTY</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>SWITZERLAND</b></p> <p><b>LUXURY APARTMENT, BASE area</b></p> <p>1000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p>	<p><b>REAL ESTATE TO RENT/SHARE</b></p> <p><b>USA</b></p> <p><b>NEW YORK CITY</b></p> <p>30's HighRent. Prime Murray Hill. Rent Entire Townhouse. 5 Story plus finished basement, 5000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>MANHATTAN</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>REAL ESTATE WANTED/EXCHANGE</b></p> <p>URGENTLY REQUIRE 2-BEDROOM (1 bedroom) apartment, fully equipped, in central area. Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>WASHINGTON, D.C.</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>PARIS HOUSING WANTED</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>YOU USE OUR LAKE MICHIGAN COLLEGE</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p>	<p><b>REAL ESTATE TO RENT/SHARE</b></p> <p><b>USA</b></p> <p><b>NEW YORK CITY</b></p> <p>30's HighRent. Prime Murray Hill. Rent Entire Townhouse. 5 Story plus finished basement, 5000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>MANHATTAN</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>REAL ESTATE WANTED/EXCHANGE</b></p> <p>URGENTLY REQUIRE 2-BEDROOM (1 bedroom) apartment, fully equipped, in central area. Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>WASHINGTON, D.C.</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>PARIS HOUSING WANTED</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>YOU USE OUR LAKE MICHIGAN COLLEGE</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p>	<p><b>REAL ESTATE TO RENT/SHARE</b></p> <p><b>USA</b></p> <p><b>NEW YORK CITY</b></p> <p>30's HighRent. Prime Murray Hill. Rent Entire Townhouse. 5 Story plus finished basement, 5000 sq. m. garden, 4 garages, fully equipped, top location, modern kitchen. Also ideal for investment purposes. Offers: £1.5 million. Tel: 01 4734 3744.</p> <p><b>MANHATTAN</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>REAL ESTATE WANTED/EXCHANGE</b></p> <p>URGENTLY REQUIRE 2-BEDROOM (1 bedroom) apartment, fully equipped, in central area. Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>WASHINGTON, D.C.</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>PARIS HOUSING WANTED</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p> <p><b>YOU USE OUR LAKE MICHIGAN COLLEGE</b></p> <p>Call for brochure. (01) 388 1342 or write Park Lane (London) Ltd., 1 University St., London W1C 6JE</p>
--	---	---	---	---	--	--	---	---	---

Your Oxford Summit.

For three days this September, world business and academic leaders will meet at Oxford. You should be among them.

The occasion is the fifth annual International Business Outlook Conference sponsored by the International Herald Tribune and Oxford Analytica Ltd. The subject is the world. In three days, in small seminar groups, participants will review the current political, economic and social forces shaping the global business climate.

Herald Tribune and Oxford Analytica. The global newspaper.

OXFORD ANALYTICA. A specialized consulting firm which draws its project teams from more than 300 senior faculty members at Oxford and other leading universities.

Clip your card here. For information please send your business card to: The International Business Outlook Conference, 63 Long Acc, London WC2E 9JH. Tel: (44-1) 379 4302. Telex: 352009.

**the strubbery 1792**

One of the most impressive 18th Century buildings in South London, formerly the abode of 2 Lord Mayors and later the Greek Consulate of Michael Spartzalis and his exceedingly beautiful daughter Marie - Pre-Raphaelite artist and model of Rossetti Burne-Jones and Whistler. A truly gracious edifice retaining some superb original features and refurbished throughout to an exceptional standard creating 8 prestigious apartments for a discriminating few.

Situated on the edge of Clapham Common within easy reach of central London

Prices from £135,000 to £260,000 leasehold. 90% Halifax Building Society Mortgages Subject to Status. VIEW SUNDAY 24th JULY, 2 LAVENDER GARDENS SW11

228 7474 223 9627

140 Northcote Road, SW11

**BELLS**

ESTABLISHED 1871

**REMOVAL SERVICES**

**MOVING**

Full and part loads to and from France, Italy, Spain and Switzerland. 18 years experience in the market.

**ANGLO-SPANISH VAN LINES**

Invicta Works, Hart Street, Maidstone, Kent ME16 6HR. Tel: UK 0622-691165/63486. Fax: 0622 690961. Tlx: UK 965925.

**SPAIN MADRID**

**PUERTA DE HIERRO: TO LET**

300 sq. m. house, 4 beds, 3 bathrooms, swimming pool. Price 350,000.

**EL VISO: FOR SALE**

166 sq. m. flat, 2 bedrooms, 2 bathrooms, 12 min. from airport. Price 58,000.000 Plus.

**TO LET: A choice of luxury 3-bed apartment in 175,000 Plus/month to 225,000 Plus/month.**

**Florida Gulf PROPERTIES**

At the edge of white sand beaches on the Gulf Coast, located on a peninsula on Sarasota Bay and overlooking the vibrant greens of dozens of golf courses. Outstanding homes, condominiums and investment properties made more attractive by today's advantageous exchange rate. Prompt reply to inquiries.

**Michael Saunders & Co.**

1801 MAIN STREET, SARASOTA, FLORIDA 34238-4477. FAX 813 366-8210 • TELE 813 366-8209

**U.S.A. HOUSTON, TEXAS, U.S.A.**

48+ Acres, Westheimer, (19.43 Hectares), (2,100,000 sq. ft.), (194,300 sq. meters), Prime Commercial Tract. 5 Minutes From Galleria. 10% Secured & Guaranteed Return By Major Bank Cash. Price: \$18,900,000 cash. Brokers protected with a 6% cash commission. Priced below current market: \$9.02 sq. ft. (Adjacent tract offered at: \$12.34 sq. ft.) All Utilities Available - May Be Subdivided. For details and appraisal using Memorandum #101 of the Federal Home Loan Bank Board. BANC ASSETS OF AMERICA, P.O. Box 570688, Houston, Texas 77257, U.S.A. Telephone: (713) 822-4040. 1-800-827-4645. FAX: (713) 888-0222.

**U.S.A. AUCTION**

**JULY 26, 1988 HOTEL PIERRE, N.Y.**

7 UNIQUE MANHATTAN, N.Y. PROPERTIES: Park Ave. 12-story building; 2 Washington Heights apartment houses; 40 luxury leased apartments on Central Park South & East 57th Street; a village parking lot for development; major vacant seaport apartment complex facing East River; 2 vacant apartment houses in New Jersey for rehab.

For brochure & information: PROPERTIES AT AUCTION, 605 Madison Ave., New York, N.Y. 10022. Tel: (212) 319-8550. Tlx: 689771 INTERPROP. Fax: 212-223-1354.

**LONDON RESIDENTIAL LETTING AGENTS**

**KENWOODS**

FURNISHED APTS/HOUSES. SHORT/LONG LETS. TEL: (1) 402 2271. Tlx: 25271; FAX: 01 262 3750. 23 SPRING ST, LONDON W1J 1JA.

**LONDON RESIDENTIAL LETTING AGENTS**

Appears every FRIDAY

**INTERNATIONAL REAL ESTATE MARKETPLACE**

Appears every FRIDAY

To place an advertisement contact our office in your country (listed in Classified Section) or: Max Ferrero, International Herald Tribune, 181 Ave. Charles-de-Gaulle, 92221 Neuilly Cedex, France. Tel: 46.37.93.82. Telex: 313595.

**OXFORD ANALYTICA**

A specialized consulting firm which draws its project teams from more than 300 senior faculty members at Oxford and other leading universities.

**OVERSEAS: See**

For information please send your business card to: The International Business Outlook Conference, 63 Long Acc, London WC2E 9JH. Tel: (44-1) 379 4302. Telex: 352009.

**Business Roundup**

**STOCK: Freddie**

**OVERSEAS: See**

**Chemical Home L**

**The Best UK Mortgage**

**Phone our mortgage consultant**



BUSINESS ROUNDUP

MCI to Buy Back IBM's 16% Stake

NEW YORK — MCI Communications Corp. will spend \$677 million to buy back the 16.2 percent stake in the company that is held by International Business Machines Corp., the companies announced Thursday.

MCI is paying less than the market price to repurchase its stock. At the closing price of \$15.375 a share Wednesday in over-the-counter trading, the roughly 47 million shares would have cost more than \$720 million.

In over-the-counter trading on Thursday, MCI rose 75 cents to \$16.125 a share.

The deal was negotiated at a time when MCI's rapidly rising stock was trading at a lower price, Daniel Singer to Sell 2 Units Under Divestment Plan

STAMFORD, Connecticut — Singer Co. said Thursday it would sell two divisions for a total of \$455 million. Plessey Co. of Britain will buy Electronic Systems Division for \$310 million, and Hudson Corp. of Oklahoma will buy HRB Division for \$145 million.

Electronic Systems Division makes electronics systems for the military industry. HRB Division develops signal interception and analysis systems mainly for the U.S. government. The units bring to five the number since Singer was acquired earlier this year by a group headed by Paul A. Bilzerian.

BaE to Accept EC's Terms on Rover Purchase

LONDON — The British government said Thursday that agreement had been reached on the takeover of the state-owned Rover Group PLC by British Aerospace PLC, which had accepted terms laid down by the European Commission.

Lord Young, the British trade and industry secretary, told Parliament that BaE would still pay £150 million (\$253.7 million) for the government's 99.8 percent shareholding in Rover.

The government, BaE and the commission have also agreed to a new cash injection of £547 million into Rover, comprising £469 million in recognition of Rover's historic debt and £78 million to support part of Rover Group's investment program, he said.

The EC had objected to the government plan to write off £800 million of Rover's debt.

After Dismal Ratings, CBS Shakes Up Top Management

By Peter J. Boyer New York Times Service

NEW YORK — CBS Inc., coming off its worst prime-time ratings performance, has announced a major shift in its executive ranks, naming Howard Stringer, president of CBS News, as president of the CBS Broadcast Group.

In his new position, Mr. Stringer, 46, will be in charge of all broadcast operations, including news, sports, entertainment and network-owned stations.

Mr. Stringer replaces Gene F. Jankowski, who was named to the newly created position of chairman of the broadcast group, which was described as a "transitional" post.

Mr. Stringer's job as head of CBS News will go to an outsider for the first time. David W. Burke, a vice president at ABC News, Mr. Burke is also a former aide to Senator Edward M. Kennedy, Democrat of Massachusetts, and former Governor Hugh Carey of New York.

Company Results

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

Table with columns for Company Name, 1st Half, 2nd Half, 1987, 1988, Revenue, Profit, and Per Share. Includes companies like Rover Group, Bank of New England, Fujiwara Electric, etc.

Lufthansa Sees Cost Problems For the Year

FRANKFURT — Deutsche Lufthansa AG expects difficulties in 1988 that are likely to affect earnings, Heinz Ruhman, management board chairman, said Thursday.

He said airspace and airport overcrowding in Frankfurt and Munich could cost as much as 100 million Deutsche marks (\$54 million) and higher wages would add 60 million DM to costs. A new price war on the North Atlantic routes is also affecting earnings prospects, he said.

"We have to work hard to achieve a decent result," Mr. Ruhman said at the annual shareholders' meeting. "There are burdens in 1988 for which we will not be able to fully compensate."

Mr. Ruhman said Lufthansa's business would expand in 1988 but growth would be slower than in 1987. He did not give detailed earnings figures for the first six months of 1988. Lufthansa's passenger load factor fell to 63.8 percent in the first half from 64.0 a year earlier.

In the first four 1988 months, Lufthansa's parent company pretax losses narrowed to 138 million DM from 182 million DM a year earlier.

Murdoch Makes Offer for Bible Publisher

NEW YORK — Rupert Murdoch has agreed to buy a leading religious publisher, Zondervan Corp., for about \$56.7 million.

Under the agreement, a subsidiary of Harper & Row Publishers Inc., which Mr. Murdoch's News Corp. controls, is offering \$13.50 a share for Zondervan shares outstanding.

Zondervan, based in Grand Rapids, Michigan, had 1987 net income of \$859,000 on sales of \$105.8 million. Its main business units are its book and Bible division, music publishing and 80-store chain of bookstores. Its publishing program includes exclusive rights to the New International Version Bible, the market leader in sales.

Zondervan said Wednesday that the merger agreement had been approved unanimously by its board. Harper & Row said it had arranged financing for the transaction.

"Our goal is to give Zondervan the resources to enhance its premier position in Christian publishing and retailing and to expand its marketing reach into the academic, professional and general book marketplaces, where Harper has its primary strength," said George Craig, president and chief executive of Harper & Row.

Zondervan said the tender offer and merger would not be completed until after the federal and other necessary approvals are obtained. The publisher was a takeover target last year. In June 1987, Miwok Capital Corp., a California brokerage firm, took a 10.6 percent stake in Zondervan and looked for other parties to help it acquire the publisher. Earlier this year, Miwok was part of a group including the British investor Christopher Moran that unsuccessfully tried to buy Zondervan.

Shearson Lehman Hutton

MANAGED CURRENCIES PROGRAM PERFORMANCE RESULT FOR BEGINNING EQUITY OF \$ 20,000 JANUARY 1st 1988 HAS BECOME \$ 40,092 JULY 1st, 1988

AFTER ALL COMMISSIONS NEXT RESULT IN AUGUST 1988. THERE IS NO MANAGEMENT FEE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE PERFORMANCE.

Place contact Olivier Dulong, First Vice President International SHEARSON LEHMAN HUTTON

5, rue Balley 75116 PARIS - FRANCE Tel: 47-20-21 Telex: 640013 Fax: 47-20-71.

FOR NON-FRENCH RESIDENTS ONLY.

Net Asset Value on July 7, 1988

Pacific Selection Fund N.V. U.S.\$8.37 per U.S.\$1 unit.

Pacific Selection Fund N.V.

STOCK: Freddie Mac Eases Curb

(Continued from first finance page) had large losses, Freddie Mac has had steady earnings growth.

The ownership action, which has wide support in Congress and the thrift industry, came Wednesday when the three-member board of Freddie Mac voted unanimously to eliminate the restrictions on the transfer of the corporation's stock as of Jan. 1.

The Freddie Mac board is the same as the Federal Home Loan Bank Board, which regulates the saving and loan industry.

As recently as January, Freddie Mac stock was being traded among savings and loan institutions through designated dealers at around \$50 a share.

But as debate over permitting public ownership of the stock heated up in recent weeks, the stock rose above \$80 a share.

On Wednesday, the stock traded at \$100 a share, and trading was subsequently stopped in anticipation of the Freddie Mac board's decisions. On Thursday it soared \$35.50 to \$135.50 on the New York Stock Exchange.

OVERSEAS: Stint Abroad Vital

(Continued from first finance page) how to get something from point A to point B here.

Few human resources people suggest that Americans should be sent overseas in place of local nationals. Instead, they are seeking ways to get the two groups to coexist. At Kodak, Americans are often placed in the No. 2 or No. 3 spots overseas, leaving the top spot to a foreign national. American Cyanamid Co. has rotated about 30 people into the No. 2 spots at foreign-run subsidiaries over the last decade.

Absorbing the substantial costs and finding the right slots may still be the easy part of moving Americans overseas. The hard part, companies have found, is overcoming a long-justified antipathy to overseas assignments.

Ambitious managers have traditionally had good reason to shy away from foreign assignments. "Out of sight, out of mind" was

IFINT Société Anonyme

Registered Office: Luxembourg - 2, Boulevard Royal R.C. Luxembourg B-6734

NOTICE TO SHAREHOLDERS

The Extraordinary Shareholders' Meeting held on June 1, 1988, adopting the proposal of the Board of Directors, resolved to give the right to all the holders of the Company's shares, redesignated as ordinary shares, to convert into preferred shares up to a maximum of 10,000,000 ordinary shares or 50% of the presently issued capital.

The new preferred shares without voting rights will, inter alia, be entitled to receive from January 1, 1989 on a cumulative preferred minimum dividend equal to 7.5% of the preferred share par value, but not less than 115% of the dividend payable on ordinary shares.

1) Shareholders have the right to convert, on an irrevocable basis, one out of every two ordinary shares held by them into one preferred share.

2) To the extent that more preferred shares remain available within the maximum of 10,000,000 preferred shares, shareholders have the right to convert, on a pro rata basis, up to the total number of ordinary shares held by them into preferred shares.

No fractional preferred shares shall be issued. Any fraction will be disregarded and accordingly any allotment of preferred shares will be rounded down to the preceding full share.

Conversion period: from 18 July 1988 to 17 August 1988.

Applications for conversion, which are free of charge, should be made, by using the Conversion Form, at the offices of the following Conversion Agents:

- in Luxembourg: Banque Internationale à Luxembourg; - in Italy: Banca Commerciale Italiana, Banca C. Steinhilber & C., Banca d'America e d'Italia, Banca del Monte di Lombardia, Banca Lombarda di Depositi e Conti Correnti, Banca Nazionale dell'Agricoltura, Banca Nazionale del Lavoro, Banca Popolare di Novara, Banca Popolare di Sondrio, Banca Subalpina, Nuovo Banco Ambrosiano, Banco di Napoli, Banco di Roma, Banco di Sicilia, Cassa di Risparmio delle Provincie Lombarde, Cassa di Risparmio di Torino, Credito Commerciale, Credito Italiano, Credito Varesino, Istituto Bancario Italiano, Istituto Bancario San Paolo di Torino, Monte dei Paschi di Siena;

- in Switzerland: Credit Suisse; - in France: Lazard Frères & Cie.; - in the Federal Republic of Germany: Commerzbank; - in Great Britain: S.G. Warburg and Co., Lazard Brothers and Co.; - in the Netherlands: Amsterdam-Rotterdam Bank; - in Belgium: Banque Bruxelles Lambert

where prospectuses, containing the Conversion Form, are available.

Application has been made to list the new preferred shares so created on the Luxembourg Stock Exchange.

In connection with the application for the listing of the preferred shares on the Luxembourg Stock Exchange the "Notice Légale" relating to the issue of the preferred shares has been lodged with the Chief Registrar of the District Court of Luxembourg (Greffier en Chef du Tribunal d'Arrondissement de et à Luxembourg), where it is available for inspection and where copies thereof can be obtained upon request.

THE BOARD OF DIRECTORS

COMMERZBANK (SWITZERLAND) LTD

Commerzbank (Switzerland) Ltd - your resourceful partner in Zurich and Geneva for expertise in all areas of private banking.

Our broad range of services includes:

- Portfolio management
- Investment counselling
- Fiduciary transactions
- Trading in securities, foreign exchange, and precious metals

For further information, please contact:

Commerzbank (Switzerland) Ltd Head Office 7, Lintheschergasse CH-8023 Zurich 1, Switzerland Telephone: (41) 1-219 7111 Telex: 814321 cbk ch Telefax: (41) 1-219 7240 General Management: Horst Engel, Wolfgang Perwitz

Commerzbank (Switzerland) Ltd Geneva Branch 86, Rue du Rhône CH-1211 Geneva 3, Switzerland Telephone: (41) 22-28 86 40 Telex: 427 010 cbk ch Telefax: (41) 22-28 88 63 Management: Jean-Pierre de Glutz

Chemical Bank Home Loans

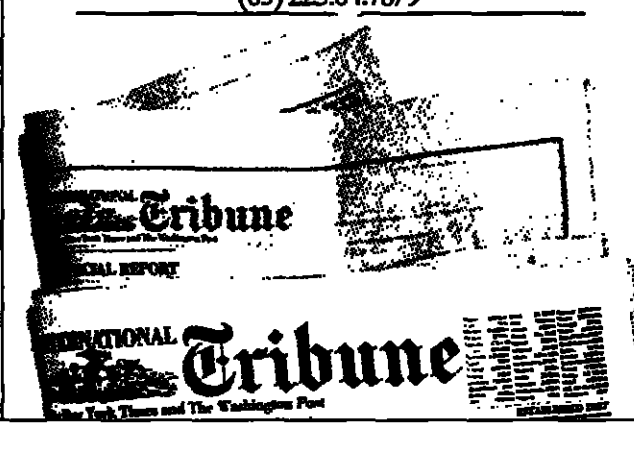
The Best UK Mortgages for Expatriates \* interest only \* no capital repayment \* immediate funds available

Phone our mortgage consultants on 01-840 5019, 5214

In September Government leaders and executives in the aerospace industry from Asia, Africa, Europe, the Middle East and the Americas will turn their attention to the Farnborough Air Show. But first they'll turn to the International Herald Tribune.

The International Herald Tribune is required reading for leaders in aviation and the aerospace industry around the world. At the Farnborough Air Show 2,000 additional copies will be specially distributed to the people you most want to reach. Take advantage of this important opportunity in the IHT. For more information, call:

- Penny Lowe in London (1) 836.48.02
- Michael Lee in New York (212) 752.38.90
- Wolfgang Lauterbach in Frankfurt (69) 72.67.55
- Patricia Goupy in France (1) 46.37.93.79
- Malcolm Glenn in Hong Kong (5) 861.06.16
- Andrew Thomas in Singapore (65) 223.64.78/9





Thursday's AMEX Closing

Table with columns: 12 Month High, Low, Stock, Div. Yld. PE, etc. Lists various stocks and their performance.

Table with columns: 12 Month High, Low, Stock, Div. Yld. PE, etc. Lists various stocks and their performance.

Table with columns: 12 Month High, Low, Stock, Div. Yld. PE, etc. Lists various stocks and their performance.

Table with columns: 12 Month High, Low, Stock, Div. Yld. PE, etc. Lists various stocks and their performance.

Table with columns: 12 Month High, Low, Stock, Div. Yld. PE, etc. Lists various stocks and their performance.

Table with columns: 12 Month High, Low, Stock, Div. Yld. PE, etc. Lists various stocks and their performance.

INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 13th July 1988

Large table listing various international funds with columns for fund name, share price, and other details.

Table listing various international funds with columns for fund name, share price, and other details.

Floating-Rate Notes

Table listing floating-rate notes with columns for currency, rate, and other details.

Table listing various international funds with columns for fund name, share price, and other details.

Table listing floating-rate notes with columns for currency, rate, and other details.

Table listing various international funds with columns for fund name, share price, and other details.

Table listing floating-rate notes with columns for currency, rate, and other details.

Large vertical advertisement on the right side of the page, including 'Currency Market', 'Buying Bu', and 'Thursday's OTC Prices'.

Handwritten text at the bottom center of the page.



CURRENCY MARKETS

Late Buying Burst Boosts the Dollar

Compiled by Our Staff From Dispatches

NEW YORK — The dollar surged in late trading Thursday, bringing off intervention by the Federal Reserve System and closing at a nine-month high against the Deutsche mark, dealers said.

They said the increase in prime lending rate by U.S. banks, from 9 percent to 9.5 percent, as well as a moderate increase in U.S. retail sales for June, helped boost the dollar. Neither factor had much impact on earlier European trading, which was muted ahead of U.S. trade figures for May, to be released Friday.

But the thinness of the market exaggerated the dollar's rise, dealers in the United States said, adding that lingering rumors of a U.S. trade deficit below the consensus range had little impact on trading.

They said the Fed sold dollars at about 1.8490 DM in late trading. It was a seller earlier as the dollar jumped to an 11-month high of 1.8510 DM, partly as a function of "short mark/long yen positioning."

The dollar rose to 1.8533 DM at the close, against 1.8423 DM on Wednesday, and to 132.70 on Wednesday's 1.5360 Swiss francs from Wednesday's 1.5290 and to 6.2490 French francs from 6.2155.

The pound fell to \$1.6820 from Wednesday's \$1.6950.

In Europe earlier, the dollar was stable in slow trading as operators stood back ahead of Friday's release of U.S. trade figures for May, dealers said.

News of the prime rate increase had only a muted impact. "Prime rate moves just cement existing short-term rates, they don't lead the market," commented a dealer with a major U.S. bank.

The dollar eased to 1.8454 Deutsche marks at the close in London, from 1.8470 DM on Wednesday, but firming slightly to 133.05 yen from 132.95.

It was barely changed at 1.5320 Swiss francs, from Wednesday's

London Dollar Rates

Table with columns: Country, Rate, and Change. Includes Deutsche mark, Pound sterling, Japanese yen, Swiss franc, and French franc.

1.5330, and slipped to 6.2275 French francs from 6.2305.

The pound eased to \$1.6900 from \$1.6910 but was unchanged at 75.1 on its trade-weighted index.

Dealers said that though there had been little talk in currency markets of an imminent U.S. prime rate move, the increases had not come as a great surprise, bearing in mind recent rises in cash market rates.

They were not seen as presaging any further significant tightening of U.S. monetary policy.

Dealers noted that Alan Greenspan, chairman of the Federal Reserve Board, had said Wednesday

that monetary policy to date had set the stage for containing inflation for the rest of the year.

In testimony to the Senate, Mr. Greenspan confirmed earlier Fed tightening but said that further rate rises were not inevitable.

Dealers said that, even if the trade gap is at the high end of expectations, the dollar has enough resilience to resume its rally after a brief pause.

"If it is \$11.5 billion to \$12 billion, people could move to the sidelines and the dollar may drop," said a dealer at a British bank. "But it would be well bid at lower levels."

A number within expectations could give an immediate boost. "If it comes in at \$10 billion to \$11 billion, people might look to the politicians and question whether there is a new range for the dollar," said James McGroarty of Discount Corp.

"We could be looking at 1.85 to 1.90 marks," he added.

(Reuters, UPI)



BUNDESBANK VISIT — Helmut Kohl, the West German Chancellor, right, with Karl Otto Pöhl, president of the central bank, at Thursday's regular meeting of the Bundesbank's policymaking council in Frankfurt. The meeting left credit policies unchanged. The official visit, which had been planned for some time, was the first by a West German chancellor since 1978.

OIL: Global Plunge in Prices Reflects Mounting Disarray Among the Members of OPEC

(Continued from Page 1)

chasing value of the dollar, in which oil sales are denominated, is causing OPEC's revenues to drop further in real terms, said Pierre Terzian, editor of Petrostrategies, a Paris-based oil newsletter.

Industry analysts and OPEC officials said that unless OPEC and independent producers take immediate action to stem runaway production, the fall in prices will continue unabated.

Some Arab oil producers from the Gulf said they are fully prepared to see oil prices plunge to \$12 a barrel or lower, as long as other members of OPEC continue to float production guidelines.

Even within the Gulf region, there is little accord among the normally allied Arab Group under Saudi leadership. Kuwait and

Saudi Officials are sharply critical of the United Arab Emirates' behavior in floating all OPEC rates.

Much of the political discord turns on the confrontation between Iran and Iraq.

Officials from Saudi Arabia, Kuwait, the United Arab Emirates and Iraq said they will resist any calls for OPEC meetings that do not respond to their basic requirements of a "realistic" quota for Iraq and production restraints by other members.

Arab oil producers have been demanding for some time that an official quota for production be allocated to Iraq that equals Iran's oil production ceiling of 2.4 million barrels a day. Iraq had been given a ceiling of only 1.6 million barrels a day, but has been producing as

much as 2.8 million barrels a day.

However, the Arab demand is greatly compromised by the fact that both the United Arab Emirates and Iraq have all but proclaimed their abandonment of the OPEC production accord.

Kuwait is also believed to be exceeding its quota of about 1 million barrels a day, by 100,000 barrels a day at least.

For its part, the United Arab Emirates, ever since it formally repudiated its official OPEC quota of under 1 million barrels a day earlier this month, is said to have boosted its daily output to 1.6 million barrels.

Iraq has said it plans to boost its output, which stands at 2.8 million barrels a day, to more than 4 million barrels a day by the end of next

year, when it gains access to new pipelines through the Red Sea.

There are also unconfirmed rumors that Saudi production is beginning to rise above that country's daily quota of 4.3 million barrels. The rumors were denied Wednesday by Hisham Nazer, the Saudi oil minister, and Thursday by an official source through the Saudi Press Agency.

Arab Gulf sources said in interviews Wednesday that Kuwait and Saudi Arabia are opposed to holding any further OPEC meetings in the absence of an understanding to bring Iraq and the United Arab Emirates back into line with existing production agreements.

Saudi Arabia recently announced an arms contract with Britain, valued eventually at as much as \$10 billion (\$16.9 billion), most of which will be paid in oil instead of cash. The country has also purchased a large part of Texaco's refining and distribution facilities in the United States.

Saudi Arabia, whose repeated cuts in production have been the linchpin of stability for oil prices during the past few years, is determined to resist further sacrifices in production, according to several senior Saudi oil industry officials.

"Furthermore," said a senior Saudi oil industry official who asked not to be identified, "we need every drop now to pay for purchases of arms and military equipment and to supply our new downstream acquisitions."

Saudi Arabia recently announced an arms contract with Britain, valued eventually at as much as \$10 billion (\$16.9 billion), most of which will be paid in oil instead of cash. The country has also purchased a large part of Texaco's refining and distribution facilities in the United States.

Algeria, which has pushed for a new OPEC meeting, was rebuffed by Kuwait last week, an Arab official said.

Norway May Rethink Oil Production Curb

OSLO — Norway will reconsider its oil production curbs in support of OPEC, if current rumors of major overproduction among the cartel's members turn out to be true, Arne Oeien, the oil and energy minister, said Thursday.

"If it is true that there has been major overproduction by countries other than the United Arab Emirates, we will have to reassess our policies," Mr. Oeien said in a telephone interview.

He said he was referring especially to Saudi Arabia, which has denied persistent rumors that it is producing above the quota set by the Organization of Petroleum Exporting Countries.

Norway, Western Europe's biggest oil producer after Britain, has implemented a 7.5 percent cutback in planned production growth to help OPEC stabilize existing world oil prices.

"I hope the rumors turn out to be false," Mr. Oeien said. "But we are watching the situation very closely," he said, adding that "if they are true then we are in a very difficult situation."

Said Mr. Oeien: "OPEC's credibility has clearly, for the time being, been reduced. Current weak prices are due to the rumors and we must establish whether there has been major production above agreed quota levels."

Oil analysts said Mr. Oeien was issuing Oslo's toughest warning to OPEC members since it introduced production growth curbs in 1986 in the wake of the world oil price collapse.

Norway, producing just over 1 million barrels a day, could have a major psychological impact on jittery crude markets if it withdrew its support for OPEC.

"This is serious pressure on OPEC to make sure it gets its own house in order and keep it that way," said one analyst with a major Norwegian oil company.

Mr. Oeien also said he had been

invited to Kuwait, another OPEC member, "as soon as possible" to discuss the oil market and current weak oil prices.

Norway has repeatedly said that its unilateral support of OPEC depends on output discipline within the 13-nation group.

However, the United Arab Emirates, regarding its OPEC quota of 988,000 barrels a day as unfair, said last month it would pump 1.5 million barrels. "We know about the UAE, and we don't expect perfection," Mr. Oeien said.

"But there are limits," he added. "Saudi Arabia, which in the past has kept within its quota and urged others to do so, declared Thursday for the second day in a row that it was producing within its 4.34 million barrels a day cap."

Tokyo market speculation, later denied by the Saudi oil minister, Hisham Nazer, that Riyadh would exceed its quota to pay for a multi-billion-dollar British arms deal, further unnerved traders.

Saudis Dispute Output Reports

MANAMA, Bahrain — Saudi Arabia insisted Thursday that it will not exceed its OPEC-set oil production limit to pay for a multi-billion dollar arms deal with Britain, and it denied responsibility for the current drop in world oil prices.

The official Saudi Press Agency, quoting an official source, said despite a similar Saudi denial 24 hours earlier, rumors that Saudi Arabia was exceeding its quota persisted in international oil markets.

"The kingdom denies such allegations," the agency quoted the official as saying, and "reiterates its adherence" to the overall cartel production level of 15.06 million barrels a day decreed by the Organization of Petroleum Exporting Countries.

Thursday's OTC Prices. NASDAQ prices as of 4 P.M. New York time. This list, compiled by the AP, consists of the 1,000 most traded securities in terms of dollar volume.

Table of OTC prices for various stocks, including A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

Table of OTC prices for various stocks, including A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

Table of OTC prices for various stocks, including A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

Table of OTC prices for various stocks, including A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

Table of OTC prices for various stocks, including A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

Table of OTC prices for various stocks, including A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

Table of OTC prices for various stocks, including A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

Table of OTC prices for various stocks, including A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

Eastern Tells Union Of Plan to Shrink Fleet

NEW YORK — Eastern Airlines has proposed to its pilots' union that it can guarantee its ability to operate a fleet of only 211 planes — 22 percent fewer than its current fleet of 270.

Thomas Matthews, Eastern's vice president of human resources, confirmed Wednesday that the union had been told of the 211 figure. But he said that number represented only a minimum number of aircraft that Eastern was willing to promise to keep in service, rather than a set level to which operations would necessarily sink.

In planning a smaller fleet, Mr. Matthews said, Eastern was reducing the size of the wage and benefit concessions it is seeking from the pilots and the machinists' union. He said the airline would guarantee that some employees with substantial seniority would not be laid off and that some baggage handlers would be offered retraining for higher-paying jobs.

People close to the bargaining said Eastern had decided to put these proposals on the table to seek a quick resolution to contract talks, which have lasted for months. The pilots received the proposal last week.

Sales figures are unofficial. Yearly highs and lows reflect the previous 22 weeks plus the current week, but not the trading day. Where a split or stock dividend amounts to 25 percent or more has been paid, the year's high-low range reflects the effect of dividends as annual disbursements based on the latest declaration.





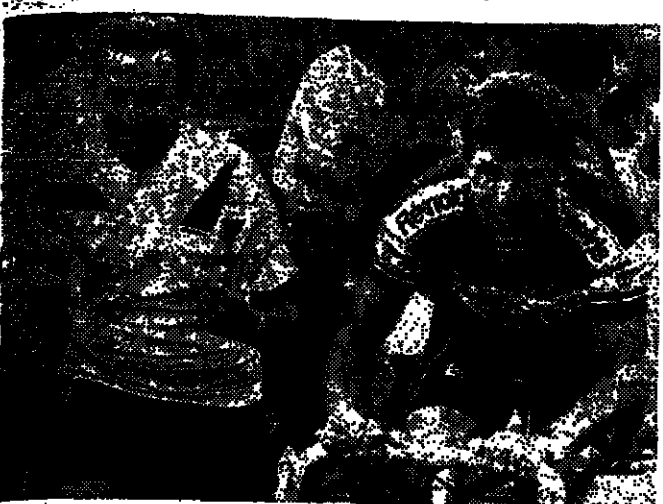


SPORTS

Alps Diminish Tour Favorites

By Samuel Abt

A wide-open race with eight or nine early favorites dwindled to a continuing duel among no more than five. Leading them was Pedro Delgado, a Spaniard who finished second in last year's tour and who Thursday donned the overall leader's yellow jersey.



A spectator urged Pedro Delgado up the formidable Alpe d'Huez.

He finished third in the 227-kilometer (141-mile) stage that went up and over two formidable peaks, the Madeleine and the Glandon, before the riders faced the 21 switchbacks and 12 kilometers that lead to l'Alpe d'Huez.

The Madeleine is rated first category in height and steepness while the Glandon and l'Alpe d'Huez are rated beyond category.

Brushing aside those technicalities, Steven Rooks of the Netherlands finished the stage in a show-off sprint for an easy victory of 17 seconds over his PDM teammate, Gert-Jan Theunisse, and Delgado.

The underestimated Rooks, whose total time was 6 hours 55 minutes 44 seconds, has shown potential for years but never won a major stage, or multiday, race. Yet he looked so strong Thursday that he must be ranked with Delgado among the remaining favorites.

Also on the short list are two Colombians, Fabio Parra and Luis Herrera, and Andy Hampsten, the American who won the Tour of Italy, the Giro, last month.

Parra, who won the previous day's Alpine appetizer to the resort of Morzine, finished fourth Thursday with Herrera fifth. Hampsten was 10th, 4:21 behind Rooks, after he weakened in the final few kilometers at the end of a hot and trying day.

The major victims were such stars as Sean Kelly of Ireland, Jean-Francois Bernard of France and Urs Zimmermann of Switzerland, who saw their chances left far down the valley. All finished no less than 20 minutes behind Rooks.

"I will never now win the tour," the downcast Kelly said later.

Another casualty was Laurent Fignon of France, who won the tour in 1983 and 1984. Suffering from problems as assorted as an injured knee, a tapeworm and a 23-minute deficit in overall elapsed time, he did not start Thursday's stage.

Fignon must have known something. On the French national holiday, Bastille Day, the fireworks were set off early as Zimmermann shot away at the Madeleine.

His two-minute lead provoked a hard chase that left Kelly and Bernard lagging. Going over the Glandon, the 187-man pack became a long line of stragglers with 15 riders at the front. Already the time deficits were terrible and the dreaded Alpe d'Huez loomed ahead. As hundreds of thousands of spectators cheered from the side of the



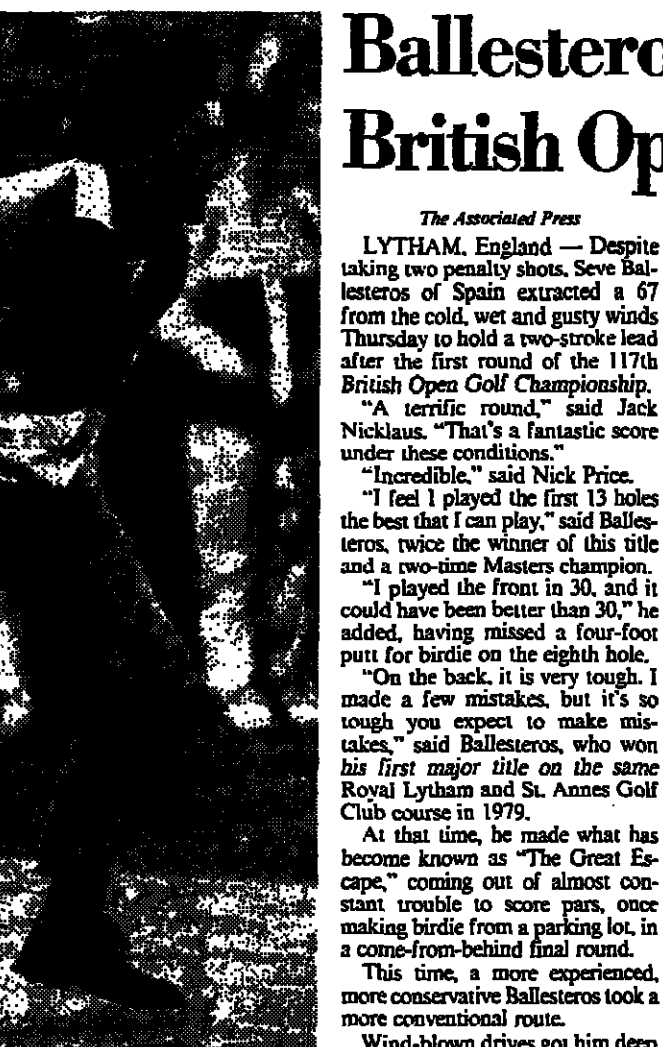
Steve Ballesteros, struggling across the fifth green, battled the wind as much as the golf course itself in shooting his 67 Thursday.

road, Delgado and Rooks climbed wheel to wheel in the lead.

They were joined by Parra and Theunisse with three kilometers to go up the 1,860-meter Alpe d'Huez. Parra tried to break away but was blocked by photographers' motorcycles, which were themselves blocked by fans overflowing the road. All wanted to pour water over the steamy riders, after a wet sponge or a word of encouragement. When the way cleared, Rooks shot off.

Steve Bauer of Canada, who dropped to second place in the overall standings, yielded to Delgado the yellow jersey he had worn most of the week. Bauer, who is not known as a climber, finished a courageous seventh Thursday and insisted, "I still have a chance. I beat a lot of fine climbers today."

Twenty-five seconds behind Delgado, Bauer realistically ranks as an outsider for the final victory. Much more will be known after an uphill, 38-kilometer time trial Friday.



Nick Faldo, the defending Open champion, was four under par after 13 holes, then fell back.

Definitely, it was very difficult to shoot four under in these conditions, but the way I played I don't deserve any worse," he said.

Defending champion Nick Faldo of England shot 71, and it was a disappointment. He was tied for the lead with five holes to play, standing four under par after a birdie 3 on the 13th. But Faldo bogeyed the 14th, took a double-bogey 6 on the 17th after hitting two shots into bunkers, then three-putted for a bogey 5 on the 18th.

The conditions were terrible. It was cold. It was windy. It was wet. The gale force winds, occasional driving rain and temperatures were chilly enough to send the players burrowing into sweaters, ski-caps and foul-weather gear.

Ballesteros Shoots 67 to Lead British Open After One Round

The Associated Press

LYTHAM, England — Despite taking two penalty shots, Steve Ballesteros of Spain extracted a 67 from the cold, wet and gusty winds Thursday to hold a two-stroke lead after the first round of the 117th British Open Golf Championship.

"A terrific round," said Jack Nicklaus. "That's a fantastic score under these conditions."

"Incredible," said Nick Price. "I feel I played the first 13 holes the best that I can play," said Ballesteros, twice the winner of this title and a two-time Masters champion.

"I played the front in 30, and it could have been better than 30," he added, having missed a four-foot putt for birdie on the eighth hole.

"On the back, it is very tough. I made a few mistakes, but it's so tough you expect to make mistakes," said Ballesteros, who won his first major title on the same Royal Lytham and St. Annes Golf Club course in 1979.

At that time, he made what has become known as "The Great Escape," coming out of almost constant trouble to score pars, once making birdie from a parking lot, in a come-from-behind final round.

This time, a more experienced, more conservative Ballesteros took a more conventional route.

Wind-blown drives got him deep into the bushes twice on the back nine, on the 14th and 18th, and each time he took an unplayable lie rather than try to hack out the ball.

"Even Daniel Boone couldn't play from there," Ballesteros said. Each drop led to a one-putt bogey.

Definitely, it was very difficult to shoot four under in these conditions, but the way I played I don't deserve any worse," he said.

Defending champion Nick Faldo of England shot 71, and it was a disappointment. He was tied for the lead with five holes to play, standing four under par after a birdie 3 on the 13th. But Faldo bogeyed the 14th, took a double-bogey 6 on the 17th after hitting two shots into bunkers, then three-putted for a bogey 5 on the 18th.

The conditions were terrible. It was cold. It was windy. It was wet. The gale force winds, occasional driving rain and temperatures were chilly enough to send the players burrowing into sweaters, ski-caps and foul-weather gear.

shot 74 after carding 40 on the back. Ray Floyd took 76. Lee Trevino 75. Nicklaus shot 75 and was pleased. At one point, it appeared, he would be unable to play because of severe stomach trouble.

"At 6:30 this morning I was lying on the bathroom floor wondering if I'd make it," he said.

U.S. Open champion Curtis Strange struggled to a 79 that included two double bogeys and a 43 on the back.

"No excuses," he said. "I just didn't hit very many good shots and the wind magnified your mistakes."

Two Australians, Peter Senior and 43-year-old journeyman Noel Ratcliffe, and the South African Peter were tied with Pooley at 70, three behind Ballesteros.

David Frost of South Africa, David Russell of Scotland and Bob Charles of New Zealand, who won the British Open here in 1963, were tied with Haas and Tway at 71.

It was a complete effort by Ballesteros, who used 12 of his 14 clubs. He hit short irons to within two feet (60 centimeters) of the wind-whipped flags on the first two holes and birdied both. A 15-foot (4.5-meter) putt on the next made it a birdie-birdie-birdie start.

He two-putted for birdie on the sixth and seventh, both downwind par-5s, and turned in 30.

He scrambled for pars on 10 and 12, missed an eight-foot birdie attempt on 13, then drove a ball unplayable and bogeyed the 14th.

An errant drive put him in trouble on the 15th, but he one-putted for par. He birdied the 17th from about three feet after a six-iron shot, then hit it unplayable again and bogeyed the 18th.

Like the other golfers, he could not beat par on the homeward nine, where he played the Irish Sea blow hopeful after hopeful onto the rocks.

The leader board, loaded with red numbers for sub-par rounds on the front nine, turned green for even par and then the pale blue of bogeys and double-bogeys.

Six players each lost 10 strokes on the back nine. Barry Lane, who won the Scottish Open a week ago, had seven bogeys on those holes and finished at 78. Ian Woosnam of Wales, considered a prime contender after leading the European tour in money winning last season, almost matched Lane with an inward 43 en route to a 76.

Pact on All-Sports TV For Europe Said Near

The Associated Press

BRUSSELS — Fifteen public broadcasting networks and U.S.-Australian press magnate Rupert Murdoch have reached an agreement in principle to give Europe its first all-sports satellite television channel early next year.

The channel, called Eurosports, would combine the television transmission rights of public broadcasters in Denmark, Sweden, Norway, Iceland, Finland, Switzerland, Austria, Italy, Britain, Ireland, Spain, Portugal, France, and Belgium, which has two public networks.

Jakko Caspers, an aide to Eurosports chairman Cas Goossens, said Wednesday night that the parties are on the verge of signing a contract under which Murdoch would cover the losses for five years for a maximum of \$131.8 million. The contract would allow him to withdraw if the losses go beyond that, she said.

The proposed partnership would give the financially strapped public broadcaster a strong bargaining position for new sports contracts in the face of competition from commercial networks. It also entitles them to half of Eurosports' profits.

Murdoch, in turn, would be able to produce an in-depth sports news in minimum time and to expand his European media empire.

European viewers would gain access to an exclusively sports channel to supplement the often meager coverage by national networks.

Eurosports plans to start transmitting to most of Europe early next year through the Luxembourg Astra satellite, which is set for launching in November. The channel intends to reach more than 13 million homes, with 9 to 18 hours of programming daily of such sports as soccer, cycling and tennis plus major championships and the Olympic Games.

The agreement for Eurosports, which has been built by deregulation and increased competition in commercial channels.

This spring the West German public channels ARD and ZDF lost their long-held rights to the country's major soccer matches when they were outbid by RTL-plus on a three-year contract.

"That really taught us a good lesson," said Caspers.

Another advantage for the public networks is that they will be able to use their screening rights to the fullest on Eurosports. Now, they often have to sheehorn in top sports events because of programming restraints, and show only about 10 percent of what they could.

English Threat Ended

The threat of the top 10 clubs in the English League breaking away to form a "super" league ended Wednesday night, but the bidding for next season's television rights to the league's soccer matches continued.

used to soar. United Press International reported from Manchester.

The 10 teams, which had been offered a \$32 million (\$54 million) deal for exclusive coverage by Independent Television, met for 8 1/2 hours at Manchester United's Old Trafford ground, then emerged to announce an improved package.

League president Philip Carter, who is also chairman of Everton, one of the breakaway teams, said: "Obviously we are sad about all the distress that has been caused, but I think we will have it all agreed in the next few days."

"We have been selling the game very cheaply in recent years because of the BBC-Independent Television cartel, but now the monopoly has been broken people are bidding for our services."

BBC and ITV are the two biggest British TV networks.

He said that ITV had improved Wednesday on the BBC-BSB package offer of just more than \$33 million pounds, and that ITV had agreed to let in the other 82 clubs.

SIDELINES

UEFA Reduces Bans on Real Madrid

GENEVA (AP) — UEFA, European soccer's governing body, on Thursday slashed from nine games to three its suspension of Real Madrid's key midfielder, Michel, for misconduct toward a referee. He now can rejoin the team in the second leg of the second round of this season's European Champions' Cup.

In the same decision, UEFA's appeals jury cut the European competition ban on Real's Mexican star forward, Hugo Sanchez, from three games to one but rejected the appeal of a fine of 75,000 Swiss francs (\$49,000) levied on the club.

Sanchez and Michel were banned for insulting and shoving referee Bruno Galler of Switzerland after a European Champions' second-leg semifinal at PSV Eindhoven last April. The fine was imposed for unsportsmanlike conduct of Real Madrid players and officials after the game.

U.S. Company to Build Soviet Facilities

MOSCOW (AP) — IMG Development Ltd., a U.S. sports development company, has signed agreements to build tennis courts and golf courses in the Soviet Union in which the Soviet partner will own 51 percent of the capital and IMG 49 percent.

IMG, part of the Cleveland, Ohio-based International Management Group, signed a joint venture agreement with the Russian Federation's State Committee for Physical Culture and Sport, the news agency Tass reported Wednesday. The first project is to build a tennis center in Adler, near the popular Black Sea resort of Sochi.

IMG also has an agreement with the Moscow city Council of Trade Unions to build a large sports and hotel complex on the banks of the Klyazna reservoir near Moscow that will include a hotel, golf course, tennis courts and concert and exhibition halls, Tass said. Completion is expected in the early 1990s.

For the Record

Lajos Detari, the Hungarian international midfielder, Thursday became the second most expensive soccer player of all time when the Greek club Olympiakos obtained him from Eintracht Frankfurt for a reported fee of about \$12 million; only Diego Maradona, whose transfer from Barcelona entailed an estimated \$12.5 million, has cost more. (AP)

Australian scrum half Peter Sterling and New Zealand forward Hugh McGahan were named Thursday by an eight-member international panel as joint winners of the 1987-88 Adidas Golden Boot award as the world's best rugby league players. (AP)

Baltusrol Golf Club of Springfield, New Jersey, was chosen by the U.S. Golf Association to be the host in 1993 of a record seventh U.S. Open. (AP)

Foster Trying Many Bluffers in Game of Pennant Poker

By Murray Chass

NEW YORK — Pretenders usually outnumber contenders in major league baseball, but this season they are so numerous they make it difficult to find the contenders.

The American League East Division, for example, is loaded with pretenders: Boston, Cleveland, Milwaukee and Toronto. They outnumber the contenders by 2-to-1.

The West may have the same ratio; the National League probably has as many pretenders as contenders.

A contender has established itself as a club with a reasonable chance to win a division title. A pretender thinks it is a contender, and has fooled others into thinking so, but in reality has displayed sufficient shortcomings to discredit itself.

Here, as the teams prepared to resume play Thursday after the All-Star Game break, is a look at the contenders and the pretenders:

Contenders: AL East — Detroit, New York Yankees, AL West — Oakland, NL East — New York Mets, Pittsburgh, NL West — Los Angeles, San Francisco.

Pretenders: AL East — Boston, Cleveland, Milwaukee, Toronto, AL West — Minnesota, Kansas City, NL East — Chicago, Montreal, NL West — Houston, Cincinnati.

A team's status, of course, can change. A second-half surge by a player or two or a new-found consistency can eliminate the pretension and propel a team into the contenders' circle. But, for now, this is how the divisions shape up.

American League East

The Tigers are the surprise of the division and their manager, Sparky Anderson, probably has enough magic tricks to keep them in the

Steinbrenner: 'Clamming Up'

The Associated Press

NEW YORK — George Steinbrenner, principal owner of the New York Yankees, has apologized for criticizing all-star first baseman Don Mattingly.

Steinbrenner, quoted in Thursday's New York Daily News, also said he would not criticize his players again publicly the rest of the season.

"I'm backing off, I've got to back off," he said. "So I'm off. I'm clamming up."

Earlier this week, Steinbrenner decided what he called his "big-money players" — all-stars Mattingly, Dave Winfield and Ricky Henderson.

Now, he said, "I'm sorry that it came out wrong about Don Mattingly and you can quote me. Listen, here's all I was saying about Mattingly, other than I don't think a guy who's not long off the disabled list should be going to the All-Star Game, which is a carnival,

nothing more. Mattingly, you end up judging him by superhuman terms. . . I wasn't calling Don Mattingly a bum."

The Athletics are vulnerable, especially without Dave Parker's left-handed batting. But they might win by default: The fault of the teams that all too briefly have resembled contenders, then fallen back.

The Royals swept six games from the Athletics in an 11-day period and slashed their deficit to 4 1/2 games. Since, however, they have won 10 games and lost 12. The Twins have had a similar inability to capitalize on the Athletics' shortcomings, rising to 3 1/2 games from first, then immediately dropping

back to 5 1/2. The defending champions are one of those teams whose status could change, but they will need more than pitching that of Frank Viola and Jeff Reardon.

National League East

The Mets are strong enough to win even with Bob Ojeda and Sid Fernandez pitching inconsistently. Gary Carter slumping and Keith Hernandez ailing. Their chief challenge most likely will continue to come from the Pirates, a young team that has shown resiliency.

The Pirates twice fell 7 1/2 games back in a recent 12-day period, but each time reeled off a five-game winning streak and cut the Mets' lead to 3 1/2 games, which is where they stood Thursday. Last weekend's three-game sweep of the Dodgers in Los Angeles, where they had lost three games two months earlier, was perhaps their most impressive achievement this year.

The Expos resume play with a seven-game winning streak and could, with the Mets' cooperation, alter their contender-pretender status. But they may be no more prepared than the Cubs to stage a serious threat.

National League West

The Dodgers have been as impressive in the National League as the Tigers have been in the American. They face a serious challenge from the Giants, who, responding to a late wake-up call, have won 13 of their last 16. In the current five-game winning streak, their pitchers have allowed three runs.

The Reds have recently shown signs of stirring and may well become a contender yet. But they have problems that could last the rest of the season. Pitching is the Astros' life-support system, and right now the plug isn't firmly in the outlet.

SCOREBOARD

TRANSITION

Table with 2 columns: National League, American League. Rows include Cincinnati, Detroit, New York, Cleveland, Boston, Milwaukee, Chicago, Baltimore, Oakland, Minnesota, Kansas City, California, Montreal, Texas, Seattle.

BASEBALL

Major League Standings

Table with 4 columns: Team, W, L, Pct., GB. Rows include Detroit, New York, Cleveland, Boston, Milwaukee, Chicago, Baltimore, Oakland, Minnesota, Kansas City, California, Montreal, Texas, Seattle.

FOOTBALL

British Open

Leading Scores for Thursday's first round of the 117th British Open golf championship played on the L22-ward, par 75-37 Royal Lytham and St. Annes Golf Club course in Lytham, England:

Table with 2 columns: Player, Score. Rows include Steve Ballesteros, Wayne Grody, Peter Senior, Neil Baltcliffe, Nick Price, Don Pooley, Andy Bean, Nick Faldo, Bob Taylor, David Russell, Neil Baltcliffe, Bob Charles, Howard Clark, Gary Koch, Mark James, Andrew Sherborne, Paul Azinger, Ivan Aoki, Craig Stedler, Scott Veronick, Wayne Riley, Philip Walton, Peter Fowler, Fuzzy Zoeller, Eduardo Romero, Greg Bruckner, Gary Player, Gordon Brand, Jr., Club Best, David A. Russell, Andrew Moore, Larry Manheim, Jose-Maria Olazabal, Sandy Lyle, Bernhard Langer, Larry Wadkins, Gordon Brand, Fred Couples, Paul Broadhurst, Tommy Armour III.

BASEBALL

Major League Standings

Table with 4 columns: Team, W, L, Pct., GB. Rows include Detroit, New York, Cleveland, Boston, Milwaukee, Chicago, Baltimore, Oakland, Minnesota, Kansas City, California, Montreal, Texas, Seattle.

BASEBALL

Major League Standings

Table with 4 columns: Team, W, L, Pct., GB. Rows include Detroit, New York, Cleveland, Boston, Milwaukee, Chicago, Baltimore, Oakland, Minnesota, Kansas City, California, Montreal, Texas, Seattle.

BASEBALL

Major League Standings

Table with 4 columns: Team, W, L, Pct., GB. Rows include Detroit, New York, Cleveland, Boston, Milwaukee, Chicago, Baltimore, Oakland, Minnesota, Kansas City, California, Montreal, Texas, Seattle.

BASEBALL

Major League Standings

Table with 4 columns: Team, W, L, Pct., GB. Rows include Detroit, New York, Cleveland, Boston, Milwaukee, Chicago, Baltimore, Oakland, Minnesota, Kansas City, California, Montreal, Texas, Seattle.

BASEBALL

Major League Standings

Table with 4 columns: Team, W, L, Pct., GB. Rows include Detroit, New York, Cleveland, Boston, Milwaukee, Chicago, Baltimore, Oakland, Minnesota, Kansas City, California, Montreal, Texas, Seattle.

BASEBALL

Major League Standings

Table with 4 columns: Team, W, L, Pct., GB. Rows include Detroit, New York, Cleveland, Boston, Milwaukee, Chicago, Baltimore, Oakland, Minnesota, Kansas City, California, Montreal, Texas, Seattle.



